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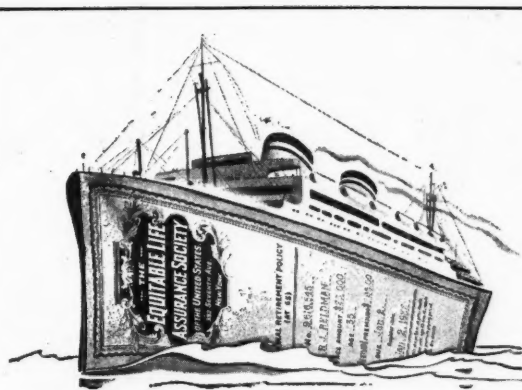
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The NATIONAL UNDERWRITER

Life Insurance Edition

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HIS LAB.



Around the world on an Equitable life policy

Nearly everybody hopes "some day" to travel extensively. But few realize how conveniently this can be made possible through life insurance!

An Equitable policy, for instance, after protecting a dependent family for 20 or 30 years, can be used to provide a monthly income for life—or a round sum in cash for travel, recreation or support during the later years of life.

Read the following quotation from a letter written by an Equitable policyholder to one of our agents

"The thought has occurred to me while Mrs. Beldman and I are enjoying this wonderful Southern Hemisphere World Cruise, that it would not be amiss to tell you that this trip has been made possible through my life insurance. Allow me to thank you, and, through you, all of my friends who aided me in developing this life insurance program."

Let an Equitable agent work out a plan to provide this double protection for you. Our Case Method of life insurance planning assures you of a program made to your individual requirements.

It's useful — and it's free

A special ENVELOPE PORTFOLIO for filing your life insurance policies and premium receipts will be sent free on request, together with booklet describing the Equitable Case Method of life insurance planning. Fill in coupon below.

The Equitable Life Assurance Society
393 Seventh Ave., New York City
Please send me, without cost, one of your Envelope Portfolios for filing life insurance policies and premium receipts.

NAME _____
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THE EQUITABLE
FAIR — JUST
LIFE ASSURANCE
SECURITY — PEACE OF MIND
SOCIETY
MUTUAL — COOPERATIVE.
OF THE U.S.
NATION-WIDE SERVICE

The above advertisement is appearing
in current national publications

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

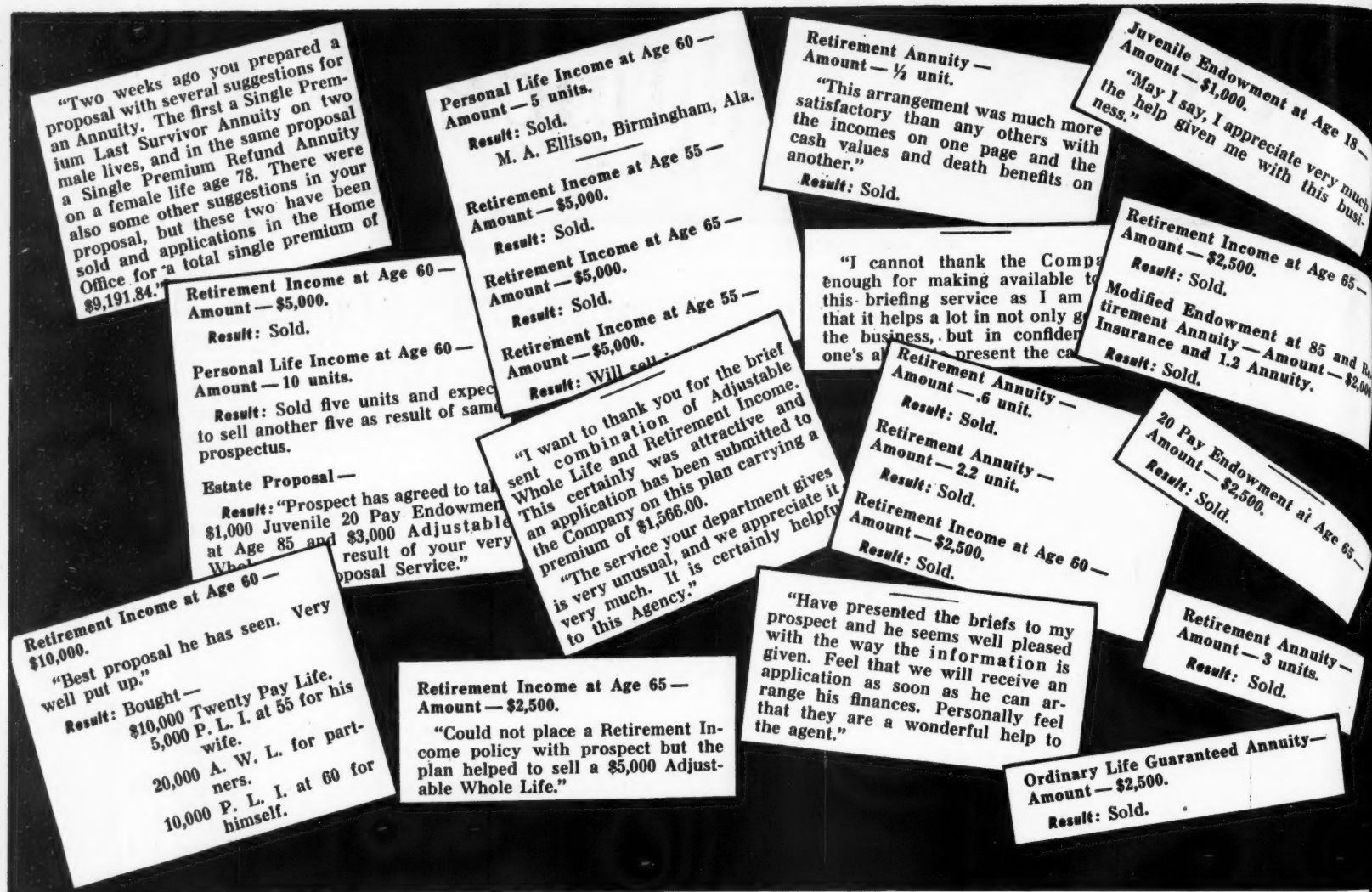
THOMAS I. PARKINSON, President

393 Seventh Avenue, New York

REMEMBER THE DATE!

Convention—National Association of Life Underwriters—Des Moines, Sept. 16-20

FRIDAY, AUGUST 30, 1935



Briefs help write Apps

The last five years have witnessed a decline in policy selling and a rise in Life Insurance service.

One of the great problems of the man in the field is not lack of ability to discover a need but to prepare a brief or a program showing in what way Life Insurance will fit the need.

Training schools will point the way, but it takes actual practice and examples to develop skill and resourcefulness in fitting needs.

The Ohio National Home Office Brief Service helps the fieldman in the solution of this difficult problem. The Home Office has in its

Agents' Service Laboratory up-to-date briefs which have found the solution for almost 2,000 varying Life Insurance problems!

The salesman who submits his problem to the Home Office secures the benefit of the information in the Home Office Laboratory—it is furnished him on the same day received in the form of a brief.

These briefs not only help the salesman in the solution of his particular problem but furnish him the information for the solution of other problems. The briefs build prestige for him, increase his production and add to his income. OHIO NATIONAL BRIEF SERVICE is available WITHOUT COST to all members of the OHIO NATIONAL FIELD STAFF.

For General Agent's contract write to John H. Evans, Vice-President.

The Ohio National Life Insurance Company

Cincinnati, Ohio

T. W. Appleby, President

THE NATIONAL UNDERWRITER Life Insurance Edition. Published weekly by The National Underwriter Company. Office of publication, 175 W. Jackson Blvd., Chicago, Ill. Thirty-ninth year. No. 35. Friday, August 30, 1935. \$3.00 per year, 15 cents per copy. Entered as second class matter, June 9, 1900, at post office at Chicago, Ill., under act of March 3, 1879.

The National Underwriter

LIFE INSURANCE EDITION
A WEEKLY NEWSPAPER OF LIFE INSURANCE

Thirty-Ninth Year—No. 35

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, AUGUST 30, 1935

\$3.00 Per Year, 15 Cents a Copy

Annuity Selling Still Keeping Up

Congressional Activity Has Caused
People to Lean on Life
Companies

LOOKING FOR SECURITY

Some of the Features That Have a Special
Appeal in the Investment Field

NEW YORK, Aug. 29.—Congressional activity in the income and estate tax field has produced in the last few weeks a flood of business in annuities and single premium life policies. Until fairly recently the sale of annuities had been falling off because of the widespread reductions in returns on new annuities, commissions to agents, and limits which would be accepted, effected because of the companies' feeling that they were getting in an excessive amount of money to invest at present low interest levels.

Annuity Sale Steady

The sale of single premium life and annuity combinations, issued on a non-medical basis by a number of companies, usually in \$1,060, \$1,075, or \$1,100 units, has been going along steadily among shrewd purchasers in the upper income tax brackets but has enjoyed a sharp increase along with annuities and single premium forms. The sale of nearly all forms of large-premium investment-type policies or annuities has brought to the fore again the question of keeping the influx of new cash down to a conservative figure. It was thought that the seemingly drastic restrictions generally adopted by home offices within the last year or so had solved the problem, but further steps may be called for if the sale of these forms continues at its present level.

Plan Followed by Buyer

The usual plan followed by the buyer is to take a certain part of his estate, say \$100,000 for easy figuring, and buy a single premium ordinary life policy for that face amount. If he is 55—and the bulk of business sold on this basis is about that age or older—it will cost him in the neighborhood of \$66,500, more or less depending on the company's rate level and whether it is participating or non-participating. The above figure is that of a low-premium participating company. With the difference, in this case \$33,500, he buys a single premium immediate annuity with no refund feature.

While he lives he receives an income of about 7.3 percent on the annuity consideration, of which only 3 percent is subject to federal income tax until the amount he has received in tax-exempt income on the annuity equals the amount he paid for it. This is equivalent to a 10.2 percent return.

(CONTINUED ON PAGE 12)

Detailed Program for the Des Moines Meeting Given

The completed program for the annual meeting of the National Association of Life Underwriters in Des Moines the week of Sept. 16 is announced this week by A. E. Patterson of Chicago, chairman of the program committee. Those speakers who have not been previously announced are L. A. Spencer of Youngstown, O., Equitable Life of New York, and C. E. Hodgman, Mutual Benefit, Detroit, who will assist C. Preston Dawson of New York in conducting the prospecting clinic Thursday afternoon. Then there is J. R. Todd of an important contracting firm who will deliver a talk Thursday afternoon on "Foundations" and finally Roger B. Hull, managing director of the National association, on "Sixty-three Million Americans Can't Be Wronged."

Mr. Todd's firm constructed Rockefeller Center in New York City and was in charge of the restoration of Williamsburg to its 18th century beauty as the original capital of Virginia.

Mr. Hull will deliver some observations on the activities of Congress and will indulge in speculation on the probable temper of the next Congress to assemble next January.

Mr. Spencer is identified with the Edward A. Woods Company of Pittsburgh and has been in the business since 1920. He is one of the leading producers in Youngstown. He qualified for the million dollar round table four times and averages about 100 lives a year. He has paid for nearly \$12,000,000 of business since 1920. He is a C. L. U.

Mr. Hodgman has been in the business three years and his average production has been between \$400,000 and \$500,000. He is a graduate of the University of Michigan and a Phi Beta Kappa. In his first year in the business he had a record of 88 paid lives and the second year paid for 123 cases. He has never had less than 100 lives in any year since.

Herewith is the program in detail, beginning with the meeting of the trustees and national council on Monday and continuing through to the final gong Friday afternoon.

Monday, Sept. 16

8 a. m. Meeting of the board of trustees.

10 a. m. Meeting of the national council—all day session—buffet luncheon will be served for members and guests.

Tuesday, Sept. 17

8:30-11:30 a. m. Million dollar round table, Caleb Smith, Ann Arbor, Mich., chairman.

9:30 a. m. Meeting of general agents and managers section, Holgar J. Johnson, Pittsburgh, general chairman, presiding. Opening remarks and announcements: Plans for life insurance week in 1936, S. T. Whatley, Hartford, chairman, life insurance week.

"The C. L. U. from the general agents' point of view," Paul F. Clark, Boston, president, national Chapter C. L. U.

"Building Agency Prestige," Charles J. Zimmerman, Newark.

"What We Do to Keep Our Agents in Production," Herbert A. Hedges, Kansas City.

12 noon. Buffet luncheon to the press. 12:30 p. m. Buffet luncheon for general agents and managers.

2:00 p. m. Million dollar round table session.

2:30 p. m. Meeting of general agents and managers section, George E. Lackey, Detroit, chairman program committee, presiding.

"The Declaration of Guiding Principles," Theodore M. Riehle, New York, president.

"Will We Interpret in Spirit and Action the Declaration of Guiding Principles?" six general agents to be selected largely from the committee serving with Chairman Riehle of the National association, and from signatory companies.

"The Companies' Interpretation of the Declaration of Guiding Principles," Frank H. Davis, chairman special committee Life Agency Officers, vice president, Penn Mutual.

7:30 p. m. Conference of local association officers:

Solving local association problems in the right way, J. Hawley Wilson, Peoria, chairman.

1. "Publicity," Ralph Talley, chairman, Roger B. Hull, speaker.

2. "Membership," Elles M. Derby, chairman; W. Rankin Furey, speaker.

3. "Programs," A. W. Hogue, chairman; Arthur E. Miller, speaker.

Wednesday, Sept. 18

9 a. m. Morning session, T. M. Riehle, chairman.

Singing, led by Oscar Gustafson, Daventport.

Invocation, Most Reverend Gerald T. Bergen, bishop of Des Moines Catholic Diocese.

Welcome from convention host, Charles E. Brown, president Des Moines association.

Introduction of special guests, President Riehle.

Introduction of Commissioner Ray Murphy of Iowa, M. C. Nelson, chairman executive committee, Des Moines association.

Report of the president, T. M. Riehle. Theme of convention, A. E. Patterson, Chicago.

"Life Underwriting as a Career," Charles A. Frisbie, Seattle.

"Life Insurance in Action," Guy C. Lyman, New Orleans.

1 p. m. Ladies' luncheon and bridge, at the Wakonda country club, courtesy entertainment committee of Des Moines association.

4:30 p. m. Meeting national council, for action on report of committee on nominations and receiving invitations for 1936 convention.

5:30 p. m. Annual business meeting—national chapter—C. L. U.

6:20 p. m. Dutch dinner—national chapter, C. L. U., Paul F. Clark, chairman, president national chapter.

"Prospecting from the C. L. U. Viewpoint," Walter N. Hiller, Chicago.

"C. L. U. in Action," Maurice B. Cahill, Pittsburgh.

9:00 p. m. Reception and dance in honor of president and Mrs. Riehle.

2:30 p. m. Seminar sessions.

I. Business Insurance, led by Leon Gilbert Simon, New York.

II. Use of income options: simple income programs, led by C. Vivian Anderson, Cincinnati.

III. Taxation and life insurance, led by Nathaniel Seefurth, Chicago.

IV. Use of direct mail in selling, led by Seneca Gamble, Springfield, Mass.

Thursday, Sept. 19

9 a. m. Morning session, A. E. Patterson, chairman.

Singing, led by Oscar Gustafson, Daventport.

(CONTINUED ON PAGE 12)

Fraternalists Swing to Fundamentals

Societies Urged to Get Back to
the Old Lodge System
of Operations

LEADERS EXPRESS VIEWS

Mrs. Dora Talley of the Woodmen
Circle Was Elected Head of
Presidents Section

By D. R. SCHILLING

PITTSBURGH, PA., Aug. 29.—The societies in the National Fraternal Congress this year face issues almost as disturbing as those which arose in the old days from the inadequate rate bases of many fraternalists, but are showing a virile spirit in fighting their way out to proper recognition of their many advantages. For some time they had come in some degree to imitate the old line legal reserve life companies, this naturally following from their adoption of the legal reserve principle.

But 1935 is proving a definite turning point in the history of fraternalism. Beset with the threat in the next legislative season of bills in many legislatures to impose restrictions on them; by "tax-ferret" suits similar to those this year in Arkansas, Oklahoma and some other states, all arising from the argument that the societies now are conducting a life insurance business similar to that of other types of companies that are taxed, the fraternalists have formulated a policy of "back to fraternalism."

Backs Educational Campaign

Alex O. Benz, president of the Aid Association for Lutherans, Appleton, Wis., one of the wheel horses of the N. F. C. and an active member of the committee which for a year or more has been pushing hard for the successful launching of a national fraternal advertising campaign on a cooperative basis, sounded the keynote in his talk on the "ad" plans in the first section of the Presidents' Section. Such a campaign, he said, would teach the public and fraternal members what fraternal insurance is. It would instill confidence, and an important by-product would be increased attendance at lodge meetings.

This has been one of the important problems before the societies. Other diversions, economic changes, have lessened the enthusiasm in these meetings and greatly decreased attendance. Community spirit and sound Americanism are built in these lodge meetings, he said—a distinctive benefit of fraternal insurance. National advertising would more effectively combat adverse legislation by informing legislators as to the benefits of this form of protection.

President-elect Peter F. Gilroy is a strong advocate and enthusiastic worker in developing lodge activities and fraternalism.

(CONTINUED ON PAGE 12)

Complete Picture of Inflation Needed In Selecting Investments

By Norton J. Williams

Supreme Vice President Equitable Reserve Association

Inflation has appeared and disappeared many times in the past century. At the present time we are again faced with the prospect of inflation. The lower purchasing power of the dollar which inflation brings means that the holders of life insurance policies and prospective policyholders are wondering whether they should not seriously consider giving preference to other types of investments.

They are asking why they should pay for life insurance today in dollars of comparatively high purchasing power, when under the terms of the policies, life insurance organizations may in later years pay the policyholders or the beneficiaries in dollars of decreased purchasing power.

Policyholders Are Asking About Hedging Methods

These policyholders are perhaps wondering why they should not trade the dollar almost immediately for commodities, real estate and common stocks, which will undoubtedly increase in value during the period of inflation.

To refute these arguments we must be prepared to impress upon the policyholders and prospective policyholders that periods of inflation do not last. Economic history has a tendency to repeat itself and the law of cause and effect rules business the same as it does human conduct. No one event stands alone in the history of economics; there is an uninterrupted connection. The thinking man links these facts into a complete picture of what may happen.

At this time the life insurance representative should encourage the policyholder to adopt a definite point of view in regard to inflation and his life insurance. To the average man and his family, life insurance is the only investment that is secure and therefore is far too important to be disregarded in any contemplated change in his investment attitude.

What Should Be Bought to Get Full Future Return

While we do not admit it, if the logical thing to do is to purchase commodities, real estate and common stocks at the present time, the question would necessarily arise, "What commodities, real estate and common stocks should be bought now?" When we consider this question, we wonder how we are going to be assured that the valuable dollars invested today will all be returned, with interest earnings in the future.

The argument might be set forth why we should not allow the financial forecasters to help us pick our investments. The financial forecasters have been wrong so many times in the past that we find it difficult to believe in them now. While we know these journals, bureaus and forecasters are very helpful, yet we find Alfred Cowles telling us, "The average score of the best financial minds was about 4 percent poorer than that established by the laws of chance." This means that the man who flipped a coin to ascertain how the market should be played came out 4 percent better off than the one who was advised by his banker and statistician.

Must Not Dodge or Answer Questions Lightly

Life insurance men must not dodge or pass over lightly the statement from a policyholder or a prospective policyholder that he believes his money should be invested in commodities, real estate and common stocks, rather than in life insurance at the present time. They

From a talk delivered at the National Fraternal Congress in Pittsburgh this week.

must be prepared to answer this statement in an intelligent and convincing manner. Inflation is not a permanent thing and it is only another name for general increase in prices. The fact is that price level and the value of the dollar has always been constantly shifting. In reality, there has been no time in the past when the value of the dollar and the price level was exactly the same from one year to another.

In giving consideration to the purchase of commodities, real estate, common stocks and bonds, we should analyze the possibilities of profit or loss very carefully.

Possibilities Are Shown As to Various Classes

Commodities. The general business opinion seems to be that the purchase of commodities, excepting those purchases made by business men of material for their factories, is considered to be one of the greatest gambles. In the past, many men have died paupers because they gambled in commodities.

Real Estate. The depression has taught us that real estate may easily become a burden by yielding no income, requiring constant expense in upkeep and being unsalable. Then, too, how can we be reasonably sure that any certain piece of real estate we may select, will increase in value, when in reality its value is affected by continually moving populations, changing of conditions in neighborhoods and business districts. Many a man has lost everything by an unwise selection of real estate purchases.

Stocks. In what industries should we buy stocks? We know that the chances of loss are just as great as are the chances of profit, if we try to forecast future values of stocks. We must not forget that 20,000,000 people in the United States, including many of the so-called "big boys in the know" didn't

know when to sell in 1929, with the result that their paper profits were soon turned into losses. Many men who thought they were immensely wealthy learned in a two weeks' period that all of their paper values were wiped out, and that they were indebted to their bankers for more than they could ever hope to repay.

No Improvement in Buying Any Bonds

Bonds. Since bonds are payable in a definite number of dollars, it is therefore easy to decide that they offer no improvement as an investment, over life insurance. In order to purchase a bond, one must pay the principal or the market value. The bond will fluctuate in value. Today it may be worth 100 cents on the dollar and tomorrow it may be worth 75 cents or 50 cents on the dollar.

In 1920 the purchasing power of the dollar was less than half the purchasing power of the dollar in 1934. On the other hand, during that 14-year period, more life insurance was sold in America than in any other period in our history. While it is true that people invested much in common stocks during the period from 1920 to 1929, yet on the other hand the careful thinking individual created his positive estate by the purchase of increased amounts of life insurance.

However, the big mistake that many people made was in not setting up trust funds in a sufficient amount to pay the premiums on their life insurance when the stock market crash came and the depression period started. If some of these men had set aside part of their savings in a trust fund from which the earnings could have been used to pay life insurance premiums, they would not have been left destitute when the depression started in 1929.

In the future the life insurance salesman should be careful not to overload his prospect. It will be much better to

sell him the proper amount of protection and then advocate that he create a trust fund to take care of the premiums on his life insurance policies, in case he is caught in the next stock market crash. Prosperity and depression come in cycles. During the next few years there will again be gambling in the stock market and then will follow, as sure as the dawn follows the darkness, another crash that will wipe out the paper profits of men.

A program of this kind of life insurance selling will stabilize life insurance, make men more appreciative of the value of insurance and avoid a tremendous amount of lapsation, when the large and small policyholders meet with reverses.

It is easy to see that the man who decides to plunge in and make investment killings during the next inflationary period will have a lot to worry about, and worry doesn't help any man to keep his head.

A chart signifying the different type of investments made by an average man would show a ragged picture of gains and losses, while a chart showing investments in life insurance by the average man would show a consistent and regular gain.

Policyholder Must Consider Increase in Living Costs

When considering carefully the results of inflation, the policyholder or prospective policyholder should not lose sight of the fact that living costs for himself and his family will increase. If his present life insurance will not provide an amount sufficient to cover this increased cost of living for his family in case he should be called to the great beyond, he should go over this matter with a conscientious insurance counsellor and arrange his insurance so that his family will not suffer. The wise investor will not risk his future and that of his family by losing sight of the stable and sure things. He will not put all of his money into an attempt to make an investment killing during the prospective inflationary period.

Looking into the future we can see credit inflation, and we ask this question, "What will this mean to the average man and his family?" Our answer is, (1) A decided increase in living costs. (2) Decrease in the dollar value, which means it will purchase less food, fuel, clothing, shelter—less of everything. (3) The dollar value of things will increase. Opportunities for making new investments will appear. Real estate, common stocks and bonds will show a marked increase in value.

This is a general view of the result of credit inflation. However, we know that unexpected events can radically change the picture in a very short time. A fair amount of life insurance will stabilize any man's estate. In spite of what the market or trading value of the dollar may be in the future, his insurance will undoubtedly be paid to himself or his beneficiary in "valuable" dollars.

Actually the dollars paid in premiums to life insurance organizations are always "cheap" dollars, because they are surplus dollars or savings from one's earnings. The policyholder does not need these dollars to buy the necessities of life, and he therefore invests them in life insurance premiums.

On the other hand, the dollar paid to the policyholders in old age, or to his beneficiary, are "dear" dollars, because they are valuable dollars and come at a time when they are most needed.

If we measure the dollar in terms of buying power or international exchange, then it is true that the dollar paid for

(CONTINUED ON PAGE 11)

Fraternal Congress Leaders



JUDGE JOHN C. KAREL, Milwaukee
Retiring President



PETER F. GILROY, Denver
New President

Judge John C. Karel of the Milwaukee county court is retiring this week as head of the National Fraternal Congress, the annual meeting being held at Pittsburgh. Judge Karel is an enthusiastic fraternalist. He is president of the Equitable Reserve of Neenah, Wis. The new president is Peter F. Gilroy, head of the Woodmen of the World at Denver. He is one of the stalwarts in

the fraternal ranks. Mr. Gilroy has been connected with his order for many years. He was elected head consul in June 1928, and was elected for another four year term in June 1932. Mr. Gilroy originally was connected with the fire insurance business. During the last quarter of a century he has given all his time to fraternal life insurance and has been outstandingly successful.

Frazier-Lemke Measure Harmless

Life Executives Do Not See Danger in the New Act

PROVISIONS OF THE LAW

Almost All Properties in Distress Have Been Foreclosed or Adjustment is Made

NEW YORK, Aug. 29.—The new Frazier-Lemke bill, now in the hands of the President, is regarded by life company farm loan officials as being almost completely innocuous as compared with the original Frazier-Lemke measure, which was declared unconstitutional by the United States Supreme Court.

It is true that the new bill permits property in difficulties to be tied up for a period up to three years, but the lender is not deprived of any remedial rights, except the right to immediate foreclosure. The lender is not forced to accept a compulsory scaling down of the debt but may demand a sale at auction at the end of the moratorium period if he is not satisfied with the appraisal valuation.

Not Many Bad Ones Left

From a practical point of view, whatever the new measure might have done had it been enacted at the start of the foreclosure wave, the situation is now that nearly all the properties that are likely to be forfeited have already been taken over by the mortgagees. There are only a few bad situations left.

Relatively few farmers tried to take advantage of the old Frazier-Lemke law before it had been declared unconstitutional. Most farm owners did all they could to avoid the stigma of bankruptcy and the possible effect on their future credit standing.

Provisions of New Bill

The new Frazier-Lemke bill would allow farmers to obtain in federal court moratoriums up to three years on their mortgages, during which time their property would be under the court's control. The farmer would have to pay a "reasonable rental" as fixed by the court, from which taxes and insurance would be deducted, the remainder going to the creditor. At any time up to the end of the moratorium period the farmer could regain his property by paying the appraised value. However, if the creditor is dissatisfied with the appraised value, he can request the court to have the property sold at auction and under the bill the court is compelled to accede.

The original Senate bill left this last point up to the court, so that the mortgagee would not have been assured of an auction if the appraisal were insufficient. This was changed by an amendment in the House.

Mrs. Will Rogers Given a Check for \$2,500,000

LOS ANGELES, Aug. 29.—Attorney Edward McCullough has announced that he has delivered a check for \$2,500,000 to Mrs. Will Rogers under a special policy issued by the London Lloyds to Mr. Rogers several years ago and which carried an annual premium of \$100,000. This is in addition to Mr. Rogers' regular life insurance.

Wants Outside Departments to Examine All Companies

MOVEMENT IS NOW STARTED

Home Authorities Are Too Lenient in Opinion of Commissioner Hunt of Pennsylvania

PHILADELPHIA, Aug. 29.—A move for the inter-state examination of companies has been started by Commissioner Owen B. Hunt of Pennsylvania.

His first move was to notify companies in twenty-two states that when they were examined by their own states, Pennsylvania would like to be invited to have its own examiner present. Copies of the letters were sent also to the insurance commissioners of those states.

However, Major Hunt's thought is not to have every company examined by every state in which it does business. His thought is for the various states to exchange examiners and examinations; to eliminate unnecessary examinations by numerous states, and to check at their inception any weak spots in companies.

He made it plain that he would not go into any state unless he was invited to do so by the insurance department of that state.

He said that there are companies doing business in Pennsylvania which are writing about five times as much business in this state as do they in their own state "and the people of Pennsylvania have a right to know that those companies are in good shape."

Major Hunt pointed out that if there had been an arrangement of this sort for inter-state examinations, many of the failures of various companies would have been avoided as foreign examiners

Talked to the Fraternal at Annual Meeting



FRANK L. ROWLAND

Secretary and Manager F. L. Rowland of the Life Office Management Association of New York was the chief speaker before the secretaries section of the National Fraternal Congress at its meeting in Pittsburgh this week.

would have caught the weak spots early and forced their correction before it was too late.

Major Hunt pointed out also that by the examiners going into other states, they will be getting a broader viewpoint of the business.

Pennsylvania insurance men—agents and company officials alike—who have

(CONTINUED ON PAGE 11)

Gilroy Head of Fraternal Body

Annual Meeting of the Congress Addressed by Notable People

SENATOR DAVIS SPOKE

Insurance Commissioner Hunt of Pennsylvania Was on the Program at Pittsburgh

NEW OFFICERS ELECTED

President, Peter F. Gilroy, president Woodmen of the World, Denver.

Vice-president, Samuel H. Hadley, president Protected Home Circle, Sharon, Pa.

Executive committee—J. C. Karel, Milwaukee, president Equitable Reserve Association; Mrs. Mary E. Arnholt, president Royal Neighbors, Rock Island, Ill.; Miss A. Emily Napieralski, president Polish Women's Alliance, Chicago; Mrs. Dora Alexander Talley, president Woodmen Circle, Omaha; C. L. Biggs, recorder Maccabees, Detroit; Judge Henry Manser, New England Order of Protection, justice Maine supreme court; P. F. Gilroy, chairman.

PITTSBURGH, PA., Aug. 29.—Peter F. Gilroy, president of the Woodmen of the World, Denver, was elected by acclamation as president of the National Fraternal Congress at the annual convention here. He has been vice-president during the last year. Mr. Gilroy for a long time has been a vital force in the N. F. C., a member of the executive committee for several terms, and past president of the Presidents' Section.

He has been the head of his society for approximately eight years. Before that he was California state manager for the society. When the fraternal congress held its convention at Oakland, shortly before the 1929 stock crash, the dominant issue was whether to change to a legal reserve basis or not. Mr. Gilroy won the presidency on a legal reserve platform. He is one of the leading exponents of the original fraternal idea.

Headliners on Program

Two headliners were on the morning program at the first general session, Commissioner Owen B. Hunt of Pennsylvania and United States Senator James J. Davis, the latter formerly director general and one of the founders of the Loyal Order of Moose for many years a fraternal organizer and field worker.

"Fraternal societies," Commissioner Hunt said, "were one of the earliest organizations to grow out of the need for organizing socially along democratic lines for economic security. The most pressing problem today is to provide for the people. We all hope it can be solved by the processes of democratic government. People of other countries have thrown away their hard won heritages for promised security. We must all learn to consider the welfare of the nation as a whole before that of individuals."

Fraternal societies have steadily modernized and strengthened themselves, he said. Public officials in their dealings with the societies must study them not only from the work they have done but their effects on other lines of effort. He urged the members to take back home

(CONTINUED ON PAGE 10)

His Blind Mother

A \$3,500 Ordinary Life policy, with Double Indemnity. Proceeds to the young man's Mother, 60 years of age, totally blind, entirely dependent upon the son. Three days before the end of the first year an automobile accident killed him. When told that from the \$7,000 she would receive a check for \$40 each month as long as she lived, the blind Mother stood up and faced our representative, reaching out her hand to take his. Gripping it with all her might, she almost fearfully asked again, "It IS true that I will get that check every month as long as I live, ISN'T it?" Answering, he reassured her, and added that it was because she had had so loving a son, she would always, each month of her life, receive the check.

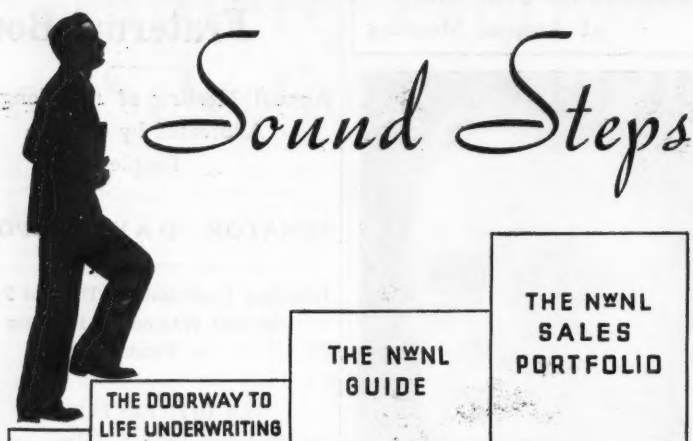
What other financial system could render such a service! What other commingles heart-throbs with its pecuniary rewards!

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia



TO UPPER-LEVEL SELLING

Three separate units dovetailed into a comprehensive sales training program

● THE DOORWAY TO LIFE UNDERWRITING.

A brief course for the beginner salesman that gives the fundamental principles of life insurance and the essence of underwriting and sales knowledge which starts the new man toward success.

● **THE N'WNL GUIDE TO SUCCESSFUL LIFE UNDERWRITING.** There is nothing in the entire life insurance field that in any way approaches this *Guide* as a practical, down-to-the-ground statement of how life insurance is and can be sold. Every idea or method it contains has been tried and proved successful. The basic procedure it develops is founded on the actual experience of successful N'WNL salesmen—not on armchair theory or round-table discussion.

● **THE N'WNL SALES PORTFOLIO.** In every respect a worthy companion-piece for the *Guide*, the *Sales Portfolio* is used by the salesman in every interview to give visual support to his verbal presentations. *The Portfolio*, prepared under the same expert direction and sympathetic first-hand knowledge of the salesman's problems, follows carefully the procedure recommended in the *Guide*. Titled "*Common Sense in Considering Life Insurance*" this manual of visual material takes *each step* in the interview in clear-cut, logical fashion adaptable to every situation. *The Portfolio* provides—for the first time in the life insurance field in a complete visual sales plan—a road on which the agent and prospect may travel *clear through* the interview.

**NORTHWESTERN NATIONAL
LIFE INSURANCE COMPANY**

G. J. ANDERSON, President

STRONG—Minneapolis, Minn.—LIBERAL



Des Moines invites you to attend the Convention of the National Association of Life Underwriters there the week of September 16.

Speculation Is Heard as to Private Pension Plans

EFFECT OF NEW FEDERAL LAW

Opinion Is Divided as to Trend Business Concerns Will Take Following Congressional Action

NEW YORK, Aug. 29.—Divided opinion exists among group pension men as to the effect on the sale of private pension plans of the new social security law, even though it carries with it the implied Congressional promise of an amendment allowing private plans as substitutes for the compulsory federal system.

Some believe that the assurance of the future legalization of private plans will banish the hesitation of employers to establish insurance company pensions and that those who give the absence of such an amendment as a reason for not buying would not be much better prospects even if the amendment had already been passed.

Others feel that the big market for private pension plans will be among employers who will use the government plan as a base and permit their employees to add to the meager minimum provided by the federal plan to bring the employee's total pension up to a point where it will be above a mere subsistence level. This section of group pension men believes that the government's entry into the group field will advertise and enhance the prestige of the group pension idea in the same way that the United States government's war risk insurance plan gave everyone a new concept of a man's insurable value.

There are also some who believe that the government's entry into the pension field without providing for optional private systems has pretty much knocked the sale of private plans in the head until an amendment permitting such plans has been passed by Congress and signed by the President.

However, whatever their private beliefs may be, group pension men seem determined to go after new business with all vigor.

Reault Advanced in Michigan

Actuary of Department Made Second Deputy—State's Merit Plan Is Maintained

LANSING, MICH., Aug. 29.—Joseph E. Reault, actuary and chief examiner of the Michigan department for several years and an employee of the department since May 1, 1920, has been named as the new second deputy commissioner by Commissioner John C. Ketcham. Mr. Reault succeeds Ralph M. Wade, who resigned some time ago to go with the Michigan Mutual Liability of Detroit as comptroller.

Advancement of Mr. Reault to the deputy's post is likely to be received with satisfaction by all elements of the business since he has had broad experience and is thoroughly familiar with the technical aspects of insurance, a requisite for this particular position in the department. There was strong opposition in company and agents' quarters to any strictly political appointment and Commissioner Ketcham wisely decided to conform with previous departmental practice in rewarding efficient service by advancement. The Michigan department has won a nation-wide reputation for non-political administration. The previous Democratic commissioner, Charles E. Gauss, refused to disturb the department personnel in response to pressure in behalf of the "spoils system."

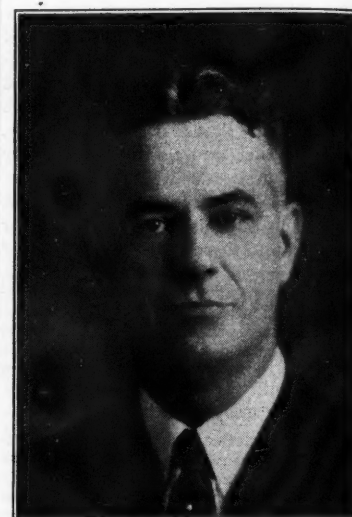
Mr. Reault has been an active member of the committee on blanks of the National Convention of Insurance Commissioners. He has also qualified by examination for membership in the Fraternal Actuarial Association.

James A. Preston Connects with the Columbus Mutual

BECOMES THE SALES MANAGER

Has Had a Successful Experience in Developing New Ideas and Training Life Agents

James A. Preston has been appointed sales manager of the Columbus Mutual Life at its head office. He has demonstrated his worth along sales promotional and training lines. Mr. Preston is a graduate of Washington University and his first insurance experience was with the old Missouri State Life where



JAMES A. PRESTON

he went in 1919 as assistant to Vice-president J. J. Moriarity. During that regime when Thomas F. Lawrence was vice-president, the branch office system was worked out largely under the guidance of these three men. Mr. Preston was sent to Little Rock to become Arkansas manager of the Missouri State and brought the production up to \$3,000,000 a year. He then was transferred to Indianapolis as Indiana manager.

He joined the Penn Mutual Life organization in 1926 at the request of the then vice-president Hugh D. Hart. He was associated with Vincent P. Coffin in the sales training, promotional and educational work. In 1932 he became general agent of the State Mutual Life at Baltimore but resigned a year ago to engage in personal work. He joined Mr. Hart in working out one of his insurance plans which recently was turned over to the Bankers National Life.

Scope of His New Work

In his new work with the Columbus Mutual he will devote his time to sales training, promotion and field organization. In the past Mr. Preston spoke before many life underwriters association and company meetings. He will now be available for this work again. He is a native of Texas. He announced at the Columbus Mutual Life convention that the material that he would recommend for the men was that which had been found to be successful and used. He has picked out about a dozen of the most successful Columbus Mutual Life men who will act as an advisory board in his department.

Prince Edward Island Official

W. E. Cotton, who had been appointed insurance superintendent for the province of Prince Edward Island succeeding H. R. Stewart, did not take office. Major P. S. Fielding has been appointed superintendent by the new administration.

By-Laws

1. Active members. Each Acacia agent who, during a contract semester, (6 months) has produced Net New quality business in the amount of not less than \$50,000, is thereby qualified as an active member subject to the following rules:

a. Net New business for the contract semester is amount placed during same semester less the amount of any first or second year's lapses during the same semester, plus the amount of reinstated policies that lapsed before two full years' premiums had been paid.

b. Quality business requirement is that the Net New for the semester is not less than 75 per cent of the placed for the same semester.

c. For agents who are more than sixty years old the requirement is reduced to \$35,000, and for agents past age 65 the requirement is reduced to \$20,000, provided, that such agent has been continuously in the Company's employ at least five years. There is no reduction in the quality percentage.

We shall be glad to send at your request a copy of the complete By-Laws of the unique William Montgomery Quality Club.

The Acacia Quality Roll Call

We publish herewith the largest roster to date—the Acacia managers and agents who are active members of the William Montgomery Quality Club, the first By-Law of which is shown at the left.

AKRON A. J. B. Miller C. H. Snook C. J. Wall	CINCINNATI J. W. De Vaux F. H. Dickey A. E. Gates C. E. Gray E. A. Keller A. R. Mead L. H. Shafer P. M. White C. A. Yerger	DIST. OF COL. (Cont'd) R. C. Merritt L. G. Morris F. B. Rogers P. L. Rogers G. S. Schroeder	MINNEAPOLIS R. D. Gillies R. E. Gunderson W. B. Hallenbeck, Sr. A. Ovrom E. H. Zink	SAN DIEGO P. J. Davidson
ATLANTA E. M. Gurr	BALTIMORE R. L. Buffington A. D'Andrea C. Heinze M. Heller L. M. Luttrell W. E. Ratcliffe R. C. Suter	FORT WORTH G. R. Amos HOME OFFICE W. L. Dixon F. A. Howard C. I. Ice	MOBILE C. D. Wood	SAN FRANCISCO S. R. Bowman P. Cain J. A. Riemers
BIRMINGHAM S. Grossberg J. B. Henry H. Key H. E. Lawhon P. E. Smith C. H. Stubinger S. D. Thurman C. S. Wright	CLEVELAND F. W. Amtsberg F. G. Jones L. F. Kemmer D. D. Wetherill	HOUSTON P. B. Franz R. E. Keeling T. R. McHenry J. L. Pink W. B. Vennard	MONTGOMERY C. H. Mosley	SAN JOSE L. Gott
BOSTON S. C. Ross	DALLAS J. B. Autry V. T. Fearis J. W. Murray	INDIANAPOLIS A. R. Madison J. D. Marsh C. D. Vawter	NEWARK C. L. Fritz	SEATTLE L. E. Higgerson
CHARLESTON, S.C. H. F. Boland M. H. Kirkpatrick H. E. Simmons	DAYTON R. S. Gummere G. O. Weimer	JACKSONVILLE J. B. Johnson F. W. Johnston D. A. York	NEW ORLEANS G. C. Franks	SHREVEPORT B. P. La Fitte C. W. Tatum
CHARLOTTE A. L. Ducker T. O. Kopley J. H. Tarr	DELAWARE C. E. Davis J. S. Rupert	KANSAS CITY H. E. Byran T. F. Enright G. W. Palmer C. R. Sanderson C. V. Williams D. K. Wolf	OAKLAND D. L. Barnwell R. L. Barnwell E. F. Gettings G. T. Lohrer, Jr. O. T. Mahanay	ST. LOUIS D. H. Fischler E. W. Mueller F. Palmer A. E. Welsh J. J. Wiseman
CHICAGO E. E. Anderson J. L. Catlett D. D. Cohen A. C. W. Grashoff E. S. Philpott F. B. Raebig W. J. Siegel E. J. Warshell B. D. Wheeler, C.L.U. H. Wolff	DENVER G. A. Fowler A. L. Larsen A. N. Meyer	JERSEY CITY C. A. De Vinney	OKLAHOMA CITY D. R. McKown M. W. McNatt D. M. Taylor	TAMPA M. A. Spooner C. Legters
	DETROIT A. W. Ault	LOS ANGELES C. E. Duskin C. C. Potter L. A. Volan	PHILADELPHIA G. E. Clark E. L. Frick E. C. Keeler J. H. Prager S. J. Roberts J. C. Varwig W. W. Wesner	TOLEDO J. L. Barkenquast A. J. Braun R. C. Johnston, C.L.U. I. J. Korb A. C. Lawrence W. M. Weil
	DIST. OF COL. J. B. Allison W. B. Crossan W. C. Daniel J. I. Ford C. C. Gove H. R. Hardisty B. A. Harlan, C.L.U. H. J. Kameron D. S. Laffitte W. J. McCausland	LOUISVILLE E. H. Chappell J. M. Chappell	PITTSBURGH R. A. Daniell	TULSA J. H. Fort C. E. Tucker
		MILWAUKEE P. Anschuetz B. W. Reagles R. W. Zambrow	PORTLAND F. J. Campbell J. F. Downer	WEST VIRGINIA J. S. Arnold C. W. Crowell C. T. Dutton E. M. Fontany I. Myers K. G. Snyder C. L. Van Camp
			RICHMOND J. Y. Gayle	YOUNGSTOWN M. H. Brown R. H. Clarke T. D. Harkelrode H. H. Holcomb D. J. Thomas
			SAN ANTONIO Y. L. Russell	

These men all draw monthly salaries from Acacia for their efficient servicing and conservation of their business. Their guiding principle is, "Never write an application that you do not feel sure is Quality business."

ACACIA

MUTUAL LIFE INSURANCE COMPANY

Chartered by the Congress of the United States, March 3, 1869
More than \$350,000,000 of Insurance in Force

Home Office: Washington, D. C.

Of Prime Importance

From infancy to sunset days—incomes are of prime importance. Wealth is never a necessity—not always an ambition—but there is always the need for a continuous INCOME.

It is of prime importance . . .

To the young married couple
To the growing family
For the education of children
To the grown family
To the retired couple
To every one at every age.

FIVE GREAT HAZARDS constantly threaten the all important income: Sickness, Accident, Financial Difficulty, Old Age and Death.

B. M. A. Life, Annuity, Accident and Health contracts protect the income against these ubiquitous hazards.

Thousands of B. M. A. policyowners are disabled annually. They are not dependent upon friends or relatives—B. M. A. continues their incomes.

Many policyowners take the last long journey—from which they do not return—B. M. A. continues the income to their families.

B. M. A. incomes at retirement age make sunset days the happiest of all.

Incomes are Continued

"All Ways"

by

BUSINESS MEN'S ASSURANCE COMPANY

KANSAS CITY, MO.

W. T. GRANT, President

Best, Yetka Square Off for a Battle

Commerce Commission Upholds
Minnesota Insurance Supervi-
sor's Ruling on Ratings

PUBLISHER MAPS FIGHT

Insurance Commissioner, in Addressing
Agency Convention, Says He Will
Welcome Court Test

ST. PAUL, MINN., Aug. 28.—The Minnesota insurance commission affirmed the ruling of Commissioner Yetka in prohibiting the use of independent rating of insurance companies in soliciting business. A few days ago the Alfred M. Best Company was given a hearing before the commission. Vice-president Raymond T. Smith of Chicago with eminent counsel appeared before the commission on an appeal from the Yetka order. Commissioner Yetka in his ruling declared that the license of a company or agent would be revoked if there were use of these ratings to secure business. James E. Dunne, a Chicago rater, had an audience with Commissioner Yetka at the time of the A. M. Best Company hearing but he did not apply for a hearing before the commission.

NEW YORK, Aug. 28.—Declaring that the Alfred M. Best Company will carry the legal fight against Commissioner Yetka's ruling "Just as far as is necessary," President A. M. Best said: "We welcome the decision of the commissioner because it gives us an opportunity to go into federal court and establish our rights and the rights of all publishers—and the right of our subscribers to full and complete information about any insurance company in which they are interested. We are going to see this fight through and carry it just as far as is necessary."

The first step, Mr. Best said, will be to ask for an injunction against the Minnesota order which would revoke the license of companies using ratings not authorized by the department.

SMITH ISSUES STATEMENT

R. T. Smith issued a statement for the Best organization in Chicago, asserting that the commerce commission did not base its confirmation on Yetka's ruling of July 31, on which exclusively the hearing was held Aug. 16. The commission apparently affirmed a subsequent ruling prohibiting the improper use of comparative ratings in connection with solicitation.

The chairman of the commerce commission received an opinion from the attorney general of Minnesota as to whether the ruling of July 31 is a proper, legal and constitutional order.

The attorney general expressed the opinion that the claim of Alfred M. Best Company is valid; and that the ruling of the commissioner should be modified so as not to constitute a prohibition upon the proper and lawful use of the publications and reports of Best.

The insurance commissioner, according to the attorney general, stated at the hearing that he has no complaint against Best but that a bad condition had arisen because of other publications purporting to report upon or rate companies. Rating and reporting books, pamphlets and charts were used by unscrupulous agents to induce policy holders to cancel existing insurance and purchase new insurance from the company represented by that agent. At the hearing the commissioner stated that

"they have no right to be in the rating business, but have gotten out pamphlets, rating literature and company literature to be used by agents and companies." The reports, etc., so referred to are so-called "puff reports," showing a condition of solvency and strength which are misleading, deceptive and false. "The citizens of Minnesota are entitled to, and will, be protected against deceit and trickery respecting their life insurance, and the commissioner of insurance should be commended for his efforts and determination to afford this protection," the attorney general said.

Constitutional Rights

However, the legal and constitutional rights of other citizens must also be considered, the opinion stated. The record before the commission shows that for 35 years reports and service of the Best Company have been used throughout the country. If unscrupulous agents are using deceptive reports distributed to obtain unlawful and improper results, they can and should be stopped. But, because of the abuse and the harmful practices engaged in by some, a publisher who has engaged for so long a time in lawful interstate commerce, should not be penalized by a rule that forbids an insurance agent using that publisher's reports in a lawful and proper manner.

Mr. Smith contended the ruling violates the constitutional rights of Best and tends to deprive the citizens of Minnesota of information to which they are entitled. This ruling reflects upon the honesty and integrity of insurance companies and their agents; it challenges the right of an insurance company and agent to render to the public an important service. "The commissioner's ruling in our opinion," the statement declared, "strikes at the very foundation of the agency system. It is inconceivable that any large number of companies or their representatives will use accurate and reliable information to the detriment of the policyholders."

Suppressing Information

"The insurance commissioner who subscribes to a system of suppressing information which is so vital to the welfare of the citizens, is so grossly in violation of all moral and legal obligations as to call for vigorous attention on the part of the public. The ruling of the commissioner of Minnesota is obviously for the protection of a few weak and unscrupulous insurance companies which are licensed but not domiciled in Minnesota. Minnesota insurance companies, with the exception of three or four, are in excellent financial condition. There are, however, a considerable number of companies located outside of Minnesota but which are licensed in Minnesota.

"All of the propaganda disseminated by the American Life Convention, and some of the members of that association, to the effect that it is a crime to exchange life insurance policies is an insult to the intelligence of the American people. It is, of course, not wise in some cases to exchange a life insurance policy, but it is certainly the better part of wisdom for a policyholder to cancel and replace his insurance if it is with a company the financial condition or loss paying record of which is in question. In the case of banks it is a felony for any officer or employee to accept deposits knowing that the bank is insolvent. To accept premiums for life insurance (and for insurance commission-ers to permit the acceptance of insurance premiums), which is the most sacred trust of any, when the officers or agents of that company know that the company is in an insolvent condition, is even more reprehensible.

"The commerce commission, as well as Commissioner Yetka, have completely disregarded an opinion as to the constitutionality of the ruling rendered by the attorney general."

YETKA IN TALK

A bold and uncompromising challenge to all firms and individuals who form-

(CONTINUED ON PAGE 13)

Achieves Notable Record During 21 Years of Service



O. F. GILLIOM, Berne, Ind.

O. F. Gilliom, representative in Berne, Ind., for the Lincoln National Life, one of its most distinguished and consistent producers, completed 21 years of consecutive weekly production this month. The making of this record, which stands for at least one application every week, was begun only nine years after the founding of the company.

Other production laurels won by Mr. Gilliom during his service include the winning of the company title of "Largest Personal Producer" for six of the first 20 years of the company's existence. His name has been carved on the limestone walls of the home office lobby once for each of these years.

Mr. Gilliom is also one of three charter members of his company's newest honor club, the "Quarter Century Club." This club is composed of those men who have served 25 or more years. He was awarded an initialed diamond ring at the convention this summer in recognition of his membership in this club.

This production record has been established by Mr. Gilliom while operating in a rural community.

J. H. Collins Tells Important Part Played by Common Law

The practical phases of the history, methods and the objectives of the common law affecting insurance, particularly life insurance, were outlined by J. H. Collins of the litigation staff of the general counsel of the Metropolitan Life before the International Association of Insurance Counsel at White Sulphur Springs, W. Va. The contract and the statutory law elements in the insurer-assured situation has somewhat obscured the part which the common law element plays, said Mr. Collins. He pointed out the extent to which judicial conceptions of justice influence development of what appears to be pure contract law. Through intelligent handling of litigation and clarifying by general education, the insurance bar can influence in the right direction mistaken conceptions of what is commonly accepted use of what constitutes real justice between insurer and assured. The ultimate determination of the actual liability assumed by an insurer is determined by the contract itself, the statutory law, and the common law exerting its influence in the nature of the control which it has over common law relationships. There is an intricate and subtle interplay of these elements in shaping the law.

Irresponsible Agents Work Harm to the Public Mind

THEY CAUSE MUCH DISTRUST

Washington Insurance Commissioner is Strong for a Proper Agency Qualification License Law

W. A. Sullivan, insurance commissioner of Washington and president of the National Convention of Insurance Commissioners, addressed the Washington Insurance Agents League at its annual convention at Bellingham, Wash., and said that the confusion and lack of understanding on the part of the public with reference to insurance is largely the result of misleading information disseminated by agents. It has been a common practice, he said, among a certain type of agents to try to accentuate the virtues of some particular company or companies by depreciating the qualities of another company or group. This brings about more or less distrust, he said, as to the stability and dependability of any company.

Most Agents Are Reliable

The vast majority of insurance companies and agents he said are thoroughly reliable and qualified to serve the public. It is people of this type he said that will maintain insurance on a solid foundation. Therefore, he said it behooves every one in the business to lend his best efforts and vigilance to uphold proper standards and to eliminate the chiseler. Commissioner Sullivan feels that agents are becoming more efficient and there are fewer irresponsible ones. Owing to the technical phases of insurance he said the public is wholly at the mercy of the agent. This accentuates the importance of the agent becoming thoroughly qualified. He should not only be acquainted with his contracts, but he should possess qualities that will cause him to maintain a proper balance of fairness and equity between the company, the assured and his own individual interest.

Wants Agency Qualification Law

Commissioner Sullivan believes in a proper agency license qualification law. He wants the unfit and irresponsible eliminated. He feels that agents should be qualified before they are turned on the public.

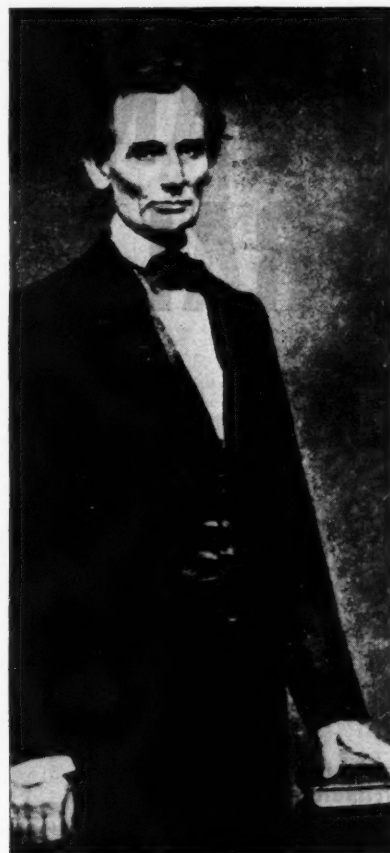
In speaking of the premiums in Washington, the total amount for all insurance in 1915 was less than \$18,000,000. In 1925 it was over \$54,000,000, in 1930 \$71,000,000. Premiums fell off during the depression but now in Washington the total will be over \$65,000,000.

Kremer Celebrates Anniversary

The 20th anniversary of the Paul H. Kremer general agency of the Penn Mutual Life for Wisconsin was celebrated at a two-day sales conference and outing. Business sessions were held in the mornings with Mr. Kremer as general chairman. W. J. Reese, associate general agent at Madison and W. F. Coe, associate general agent at Oshkosh, presided. Frank H. Davis, first vice-president, and Paul Hutterer, head of the educational department of the Penn Mutual, represented the home office. Morton Lee, assistant trust officer of the First Wisconsin Trust Company, and leading producers spoke.

Will Address Canadian Officials

Insurance Commissioner W. A. Sullivan of Washington, president of the National Convention of Insurance Commissioners, has definitely accepted the invitation of the Association of Superintendents of Insurance of the Provinces of Canada to be present at its annual meeting at Winnipeg, Sept. 3-5. He will address the conference on "The Responsibility and Importance of Insurance Supervision."



The Eloquent Lincoln

Lincoln looked like this when he spoke at Cooper Union in New York City. This picture was the one which Lincoln claimed made him president, and was taken by Matthew Brady on the day of the address, February 27, 1860.

ELOQUENCE

The most intelligent audience which ever assembled in New York to hear a lecture, greeted Lincoln at Cooper Union. The effort was considered the most eloquent presentation of our early American institutions which up to that time had been presented.

Eloquence has been defined as "A discourse characterized by force, art, and persuasiveness." A sales talk forcefully and skillfully presented in a sincere manner by a well-informed underwriter, although there be but one listener, may be eloquent.

The sales force, skill, and knowledge which raise life underwriting standards are created by modern sales training and education. Such helps are available to LNL field men.

The Lincoln National Life Insurance Company

FORT WAYNE, INDIANA

ITS NAME INDICATES ITS CHARACTER

AMERICAN CENTRAL LIFE

INSURANCE COMPANY

ESTABLISHED 1899

INDIANAPOLIS, INDIANA

● All modern forms of Life Insurance and Annuity contracts are written, either on an annual or single premium basis. Annuities include Retirement Income, Elective (Deferred), Joint and Survivor, Refund, and Survivorship—one for any type of prospect, in short.

Toward Bigger Achievement

NEXT year this Company will celebrate its first quarter-century of service. It has won the confidence and good will of westerners. It reviews a record of steady, conservative progress, yet constant modernization of views and methods.

*Direct liberal home office contracts for fieldmen. *Non-forfeitable renewals. *A complete line of policies. *Juvenile, women, group, wholesale, accident and health. *Proven organized selling plans. *Dynamic presentations. *Sales aids for every situation. *Understanding home office cooperation. *Really helpful instruction and supervision for new men. Write for details.

Ray P. Cox, Vice President and Manager of Agencies

**California-Western States Life
Insurance Company**

SACRAMENTO

CALIFORNIA

Powell Outlines Program for the New Loyal Life

AGENTS GATHER IN BOSTON

Fortieth Anniversary Convention of Loyal Protective Is Enthusiastic Affair—E. B. Fuller Gives Address

BOSTON, Aug. 29.—Announcement of several features in the program for the recently organized Loyal Life—running mate of the Loyal Protective—was made by J. M. Powell, president of both companies, in addressing the 40th anniversary convention of the Loyal Protective here.

The Loyal Life, he said, will issue participating business exclusively; it is a stock company with capital and surplus of \$400,000, the largest required by any state. Profits that may be paid from the participating business to the stockholders is restricted to a very small amount under the bylaws. It will operate on the American experience table of mortality; it has adopted interest basis of 3 percent; it will operate upon the New Jersey standard of valuation; it has specially good dividend options and options at maturity; it has an unusually attractive waiver of premium provision in event of disability. It has a liberal double indemnity provision. Except for term insurance and disability it will issue insurance to women at the same rate as to men. It will not deduct from the death claim check the remaining quarterly premium for the policy year at death. By adopting a very liberal dividend schedule, the company is placed, even at the start, among the leading low cost companies.

Liberal Interest Rate

In the settlement options a very liberal interest rate has been adopted in connection with funds left with the company. The directors have authorized an interest rate of 4½ percent on funds left with the company at maturity of the policy.

The Loyal Life is putting out a restricted list of policy forms. He said practically all companies have too many contracts. One of the large middle western companies recently showed that on 20 policy forms quoted in the rate book it has received a continued production of less than 2 percent of its total business. The Loyal Life will offer a 10 year term with attractive conversion features and ordinary life, 20-payment life, 20 year endowment, endowment at 65, with rates and limited values on 10, 15 and 25 year endowment forms.

Mr. Powell predicted that agents will be able materially to increase their income through producing business for the Loyal Life, without detracting from their accident and health results.

Mr. Powell's address for the most part was historical, tracing the origins of life insurance and accident and health and citing some of the significant developments.

E. B. Fuller Is Heard

Vice-president E. B. Fuller, in his address, expressed the belief that accident and health insurance is the easiest line to sell. It has made rapid growth in the past and there is every reason to believe that it offers a great possibility for the future. He cited recent predictions that several of the large life companies will enter the accident and health field. If this is true, he said, this branch of the business is due for a still greater growth.

With the organization of the Loyal Life, the problem of expense in covering large territory should be solved, he said.

Although the method of selling life insurance will differ in many respects from the procedure in selling accident and health, the principle is the same in building good will, stimulating cooperation, creating confidence, holding un-

Pay Canadian Claims at Current Exchange Rate

OTTAWA, CAN., Aug. 29.—The supreme court of Canada has decided that money payable under life insurance policies issued by the State Life of Indiana, which is licensed in Canada, should be paid in Canadian funds. There was a premium on American funds at the time of the death of Barnett Weiss, Toronto policyholder. The company sent a check for \$17,400 to the beneficiary in Canadian funds, but the beneficiary sued for \$3,632, which was the difference between United States and Canadian fund values, and was awarded the full amount by an Ontario high court judgment. The court of appeals reversed the decision and the supreme court upholds it.

divided attention and putting personality into the interview.

Starting with a burning passion to be a success is the first requisite for making good, he said. There is great difference between the man with a burning passion to accomplish something at any cost and one with a mere desire to make good. A desire is like warm water in a boiler, it will not produce steam. It takes steam and pressure to generate the initiative and inspiration required to be a success in insurance.

Delegates to the convention presented President Powell 1,537 applications for health and accident insurance as a result of the recent president's month contest.

Merifield Agency Instructor

The same officers will be in charge of the Loyal Life, with the addition of C. F. Merifield, formerly of the Connecticut Mutual, as agency instructor. He is a native of Kalamazoo, Mich. He was connected with the Michigan agency of the Connecticut Mutual at Grand Rapids and won the president's cup in the contest from Nov. 15, 1933, to May 15, 1935, when he wrote the largest number of lives in the history of the company for a like period, for a total of \$750,000.

William Skelton of Hamilton, Ont., F. G. Buehler of Cleveland and J. W. Martin of Spokane responded to the president's address of welcome.

B. A. Heath, secretary and manager of the claim department, talked on settlement of claims and F. C. Thomas of Portland, Ore., on agents assisting the home office in maintaining favorable loss ratios.

Commissioner De Celles Heard

Greetings were brought by Commissioner De Celles of Massachusetts.

W. G. Utman of Ottawa; H. B. Odle of Attica, Ind.; H. L. Peabody, general accountant at the home office, and J. C. Walters of Columbus, were the concluding speakers of the morning program the opening day.

There was a group luncheon after which a visit was paid to the home office and later a trip made to the North Shore with a lobster dinner at Marblehead.

Wednesday Vice President Fuller presided at the morning session and some 22 representatives gave five minute addresses on various phases of the home office and field work. The afternoon was devoted to a sight seeing trip about Boston, Concord, and Lexington, with a dinner in the evening at a country resort.

Thursday's program called for some 15 more short addresses with President Powell presiding and an afternoon of golf, baseball at Braves Field and a beach excursion, with a final banquet.

Nollen Holds Meeting

Henry S. Nollen, president Equitable Life of Iowa, while taking a brief vacation at Spirit Lake, Ia., held a sales convention for company representatives in the territory.

Moose Demands New Setup in Nebraska Department

WANTS THE OFFICE ELECTIVE

Deposed Commissioner Gave a Talk
Before the Nebraska Life Under-
writers Association

GRAND ISLAND, NEBR., Aug. 29.—Nebraska insurance men this week were urged to sponsor a constitutional amendment which would remove the insurance department from the control of the governor and make the commissioner elective on a non-partisan ballot. The action was advocated by Conn W. Moose, deposed Nebraska insurance director, speaking before the annual convention of the Nebraska Life Underwriters Association here.

Mr. Moose held the insurance post as an appointee of Gov. Cochran for seven months and then was discharged without a hearing. Speaking before the agents, he charged the insurance department could not be efficiently managed as long as its head was responsible to the chief executive rather than to the people.

Moose Gave Live Talk

Mr. Moose gave an accounting of his stewardship as insurance director, declaring, "My choice was one of loyalty to partisan politics or loyalty to the policyholders and the institution of insurance. For me, there was only one choice. I have no regrets, harbor no prejudice nor resentment."

The former director said he made a survey of insurance departments in other states and found "Nebraska did not have, and never had had, a department of insurance worthy of the name." There were over 32,000 agents' licenses issued last year and an estimated 40,000 people are engaged in insurance in Nebraska, Moose said, making it "the largest payroll or industry other than agriculture."

Qualifying his remarks as criticism of the Nebraska system of government rather than any chief executive, Moose said:

Power in Governor's Hands

"Under our present system of government which has existed for the past 20 years, all the powers of the administrative departments of the state are vested in the chief executive. Under our present setup, the governor hires and fires all the help, directs the spending of all the money for the several departments, spends as little or as much as he desires. Where employees of departments requiring technical training are hired in that manner, purely on a patronage basis, it must be obvious that not a single department can set up an efficient organization to carry forward the work of the department. Further, the chief executive can, and always has, limited the activities of the department heads."

Let the Buyer Beware

"I have given this matter much thought," Mr. Moose added, "and cannot see how we can ever have an efficient insurance department under the present arrangement. It seems to me that if the present system is to continue, we may as well save the money that is expended, eliminate the department, and operate on the theory of 'Let the Buyer Beware.' The insurance commissioner should receive a minimum salary of \$7,500 in order to attract the services of a competent and qualified man."

Mr. Moose declared policyholders are unorganized and unaware of the facts but are looking to agents for protection. He urged field organizations of fire, life and casualty men to unite to bring about change in the insurance department setup.

T. G. Scanlon, Des Moines, Iowa, agency organizer of Mutual Life of New York, addressed the agents on "Death,

Find Social Security Act Insurance Aid in Long Run

IMMEDIATE CONFUSION SEEN

Tangeman of Columbus Mutual Life
and Thompson of Midwest Life
View the Possibilities

That the social security act embodies the expression of a policy which is recognized as sound and has come to stay, was contended by T. H. Tangeman, vice-president and counsel of the Columbus Mutual Life at that company's agency convention in Detroit. It will undoubtedly be modified from time to time as experience indicates mistakes, he said. The act is not an attempt to fill the needs now supplied by life insurance.

"Life insurance remains as the one certain means whereby the prudent man may voluntarily insure an adequate income for his loved ones from the moment that the policy is in force and is not dependent upon his attaining the age of 65. In the event of his premature disability and in the early ages of his productive life, he may provide for himself during his remaining years an income and an estate for his family at his death."

"Life insurance provides a means of saving and creating a reserve fund which he may draw upon as a matter of right during periods of unemployment."

"When the wreckage left in the wake of the present economic storm has been cleared away, it will be found that age old tried practices of thrift, industry, forethought and manful assumption of individual responsibility still yield the only satisfactory pleasures of life."

VERNON THOMPSON'S ANALYSIS

GRAND ISLAND, NEB., Aug. 29.—The social security act is the most influential single event affecting life insurance since the work risk insurance act and will lay the groundwork for more practical life insurance selling. Vernon L. Thompson, sales manager of the Midwest Life of Lincoln, told members of the Nebraska Life Underwriters Association in annual meeting here.

The effects of the act in the immediate future may be adverse in that they may confuse the average individual with respect to planning his own future, he said, but when workers become well informed regarding the provisions of the act they will be aware of its limitations.

Mr. Thompson cited limitations which "find logical and adequate remedy in the purchase of life insurance."

The pension is not available until the individual attains the age of 65, whereas much old age dependency comes at an earlier age.

The individual has no election with respect to the amount of his benefits or the manner in which they will be paid, either before or after age 65.

The system makes entirely inadequate provision for the individual's family in the event of his death, returning only slightly more than the sum of his contributions.

(CONTINUED ON PAGE 11)

Disability and Old Age," and Vernon L. Thompson, Lincoln, Neb., sales manager of Midwest Life, spoke on "The Social Security Act—A Blight or a Blessing to Life Insurance."

O. R. Frey, Lincoln, was named president of the Nebraska association by executive committee. He succeeds W. E. Rigg, Omaha. Other officers are L. G. Waggener, Grand Island, and A. P. Pigler, Norfolk; vice-presidents, Herbert Gish, Lincoln, Secretary-treasurer.

Mr. Moose was commended for "sincerity of effort, ideals, and intentions as trustee of policyholders. His recommendation to take the department out of politics was not approved by resolution."

This Is Tomorrow

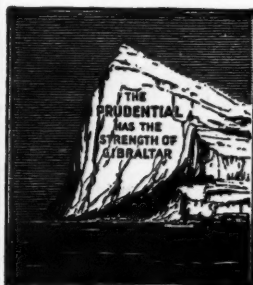
What men do today controls not only their own future status but that of their dependents as well.

The word "tomorrow" is vague and without vigor, while the word "today" reflects action and accomplishment.

See those prospects **TODAY!**

Get them protected **TODAY!**

Then **TOMORROW** will hold no terror for them or for those who depend on them.



**The Prudential
Insurance Company of America**

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

\$21,912,300.00

Of New Business Was Written

by our fieldmen in the second annual "President's Month" campaign which was conducted during the month of March. A new W. O. W. production record for a single month.

WOODMEN OF THE WORLD LIFE INSURANCE ASSOCIATION

Home Office—Insurance Building

17th and Farnam Sts. Omaha, Nebraska

Established 1890.

Assets More than \$119,000,000.00

Juvenile Insurance Strong with Fraternal Societies

ACTUARIES DISCUSS QUESTION

Annual Meeting of the Section Was Held This Week at Pittsburgh Conference

PITTSBURGH, Aug. 29.—Trend toward uniformity in certificates and methods of operation of fraternal societies, considerably lower mortality among juvenile policyholders than is indicated by most tables, and the possibility of drastic changes in New York laws affecting the societies, were noted at the annual meeting of the Fraternal Actuarial Association held in Pittsburgh this week preliminary to opening of the annual convention of the National Fraternal Congress here.

The report of a special committee on juvenile mortality investigation was presented, causing considerable comment from the fact that the curve showed substantially lower mortality than indicated by the American Experience table, the American Men table and the Standard Industrial table. The data was taken from reports of 15 fraternal societies to the Michigan insurance department, covering over 1,000,000 life years and 2,667 deaths. It was compiled by the census method, which was less laborious and, the committee decided, would give sufficiently accurate results.

Much Interest in Juvenile Plan

Much time was devoted in the program to consideration of questions relating to juvenile insurance, which is of paramount importance to the societies, especially this year. The fraternal almost without exception see far more clearly than old line legal reserve life companies, the wisdom of starting the young people on the protection road, thus injecting new virile blood into the insured group and making far easier the selling of adult insurance later when the juvenile policy is changed over to the adult form.

A problem with many societies is what to do about the fact that adults pay dues whereas juveniles as a rule do not. There is a difficulty encountered when the juveniles elect at age 16 not to change to the adult form. In such event, a number of societies charge no dues when the election is not to transfer to the adult form. Another problem arises from the fact that the juveniles have a definite equity in the juvenile fund and cannot be transferred to the adult group without their consent.

C. L. Alford, consulting actuary of Nashville, Tenn., president of the Actuaries' Section, presided.

Rumor on New York Position

One speaker who recently has been in touch with several officials of the New York insurance department, reported that proposals are being formulated there embodying drastic changes in the fraternal law. One would require insertion of a provision in certificates calling for additional assessments in event of impairment of reserves. The department also is said to be debating the matter of a definite designation of funds, requiring that net premium be placed in the mortality fund. The department may require that by-laws be amended to include this requirement, similar to the Massachusetts requirement that has been in force for some time.

The legislative trend and its effect on the actuarial end of the business were discussed at length. Little objection was found to the new Pennsylvania code and the Illinois code that was killed, but it was said if the Missouri code had been adopted all the other states would have introduced similar bills, with very harmful effect on the societies.

There is definite indication, speakers noted, of a trend to bring societies into

Made Important Address at Agents Convention



D. E. BALL

President D. E. Ball of the Columbus Mutual Life at its annual agency convention in Detroit outlined what in his estimation were the chief foundation stones and the essential superstructure of pillars of a life company. He made a deep impression on the agents.

uniformity in methods of operations, in line with the recent comments of the New York department actuary.

Home office practices were considered, including reinsurance of substandard risks and excess amounts, general conservation work and future investment policy. Some societies write no substandard except over or under weight. The coinsurance method of reinsuring substandard was considered by many superior to the yearly renewable term plan.

In discussion of conservation, it was noted that actuaries of the old line companies are seeking not to cancel policy loans and rewrite but to secure partial repayments. Jack Hann of Otis Hann & Co., Chicago, declared many banks, especially in smaller towns, are making loans to life policy owners on security of the policy for the purpose of repaying the loan to the company. Advantageous interest rate is offered. Banks recently have been going after the policies bearing small loans, it being a profitable field for the banks, and permitting them to get their large cash accumulations back at work.

Jack Hann's Observations

Mr. Hann said the companies and fraternal societies do not want to have their policy loans closed out, as they are the best form of investment today. In conservation work with societies, he said, he found the average loan was about \$200. He offered a fee of 5 percent for collection of part of loans. He advised, however, that this offer be made only to branch secretaries and cashiers, and not to other field men. Mr. Hann pointed out that the fee would represent about \$10 per \$1,000 cost, whereas to cancel the loan and rewrite, with commission to the agent, would be more. The total amount of loan collections of all life companies is increasing steadily, he said.

Herman L. Ekern, president of the Lutheran Brotherhood, general counsel to the N. F. C. and former Wisconsin insurance commissioner, predicted in relation to investments, that in good time there would be an increase in interest rate. He said the slump from piling up of cash funds could not be permanent.

C. L. Alford was reelected president of the actuaries, Walter Curtis, actuary Ben Hur Life, reelected vice-president; Eugene Pakes, Woodmen Circle, reelected secretary; W. T. Eldredge, Degree of Honor Protective, reelected treasurer, and Miss Frances Partridge,

Factors in Substandard Rate Determination Outlined

Pertinent points in underwriting substandard business were brought out by Dr. W. E. Thornton, medical director of the Lincoln National Life, in a talk before the National Fraternal Congress at Pittsburgh. In commenting on the interest the fraternal companies are showing in substandard business Dr. Thornton said that this type of risk needs protective services even more than do the standard risks. "Sound protection for the largest possible number of people is an ideal worthy of our very best combined efforts," said Dr. Thornton.

The fundamental principle involved in substandard insurance is the same as used in the constant and most familiar of all impairments, age. For each standard unit of impairment present in the case of age an amount is added to the premium which from previous experience is sufficient to offset its mortality effect.

Numerical System Followed

The numerical system is followed in substandard rating. For each kind and degree of impairment an equivalent is added, already determined from mortality study, to the theoretical 100 percent mortality, contemplated in premium calculations for standard insurance. In the case of coexisting multiple impairments the final rating is the sum of the standard 100 percent, plus the additions for each individual defect. The first step in determining substandard rates is to construct a set of groups covering the common impairments and a set of subgroups including the standard degree of each impairment. This is done after a review of the mortality studies and in consultation with the actuary.

Dr. Thornton discounted purely clinical judgments as far too crude unless supplemented by insurance medicine judgment. For this reason examiners and the general medical professions are discouraged from expressing opinions as to insurability. Such opinions are very influential even if they are not compe-

tent and when they disagree with the medical departments undiscriminating applicants are prejudiced. Thus business is lost to the company and protection to the applicant.

Thinks in Terms of Group

A medical department thinks in terms of the group rather than the individual. Each applicant is studied only that he may be classified somewhere within the rigid group system. He then loses his identity. The actual rating attached to any one case is not an amount calculated for that case alone, rather it is the extra rating assigned to the group in which the case has been classed. The reason for this system is that the fate of the individual is notoriously uncertain, yet the mortality of the group is, under certain conditions, practically constant. If the experience of the groups is to be accurate it must be as homogeneous as possible. Special safeguards must be adopted to see that cases are placed in the right class. As the uncovering of physical impairments is trusted chiefly to the medical examiners, it is necessary to employ only the best doctors available. "Insurance examining can no longer be the haven for the medical failure, misfit or has been," declared Dr. Thornton. "If there ever was excuse for employing such, it disappeared with the advent of substandard." The medical examiner must be selected for his ability and be independent of any pressure which may influence his reports. "In substandard you can afford only the finest available medical talent, and if you permit any lesser considerations to influence your selections, you will pay for your dereliction in claims that you might have avoided by a more firm policy."

Dr. Thornton analyzed the major factors to consider in selection covering such points as under and over weight, loss of weight, heart murmurs, attacks of rheumatism, elevated blood pressure and the chief urinary abnormalities which must be considered very carefully.

Gilroy Head of Fraternal Body

(CONTINUED FROM PAGE 3)

the message of working out in greater detail the methods of securing the economic life of America. It is the business of government, he postulated, to see that the people live in comfort and not poverty.

Senator Davis gave a stirring picture of the part fraternal societies played in meeting depression conditions. He said among the agencies credited with good work in the last six years, the fraternal have been mentioned the least. "They waged war," he said, "on a thousand fronts. Their great resources of men, money and organization helped much in averting economic chaos. Their power has been used to improve human conditions. They have been partners in all civic activities.

"Yet there are more than 50,000,000 people in America who don't belong or know much about fraternalism. It is the best school of instruction available for the young people. Its resources have been quickly available for the victims of depression, applicable more quickly than from almost any other source. It is a bulwark against communism and radical thought, against the forces seeking to destroy the home and annihilate religion."

Col. C. B. Robbins, manager and general counsel American Life Convention, Chicago, extended an invitation to attend the annual meeting of that organization at the Edgewater Beach Ho-

reelected librarian. A memorial was presented on the late J. P. Yort, vice-president and actuary Acacia Mutual Life, who died recently.

The fraternal junior mortality investigation was carried out by John Abernethy, Maccabees, chairman, and J. E. Little, actuary Maccabees, results being read by Mr. Little. A table embodying the results was prepared, the first of the kind ever drafted, it was said.

Pamunkey Tribe Member Cards

C. C. Klocksins, legislative counsel Northwestern Mutual Life of Milwaukee, who is scribe of the Pamunkey Tribe of Real Indians, a social order performing at the time of the annual meetings of the insurance commissioners, finds that some membership cards sent out to the initiates at the Seattle meeting were returned and some names were unidentified because the registration is incomplete. Scribe Klocksins will be glad to send out membership cards to new members if they have failed to receive them.

Col. Joseph Button, former Virginia commissioner, is the big chief; Lamar Hill, vice-president America Fore Fire group of New York, is scribe; E. C. Stone of Boston, United States manager Employers Liability, prelate; John R. Dumont, manager Interstate Underwriters Board at New York, is guide; D. F. Broderick, premium finance man of Detroit, is inner guard; C. W. Fairchild, Association of Casualty & Surety Executives, is outer guard, and Clare A. Lee of Portland, Ore., former Oregon insurance commissioner, is medicine man.

HOME OFFICE DALLAS, TEXAS

\$ \$

Fraternalism Swing to Fundamentals

(CONTINUED FROM PAGE 1)

ternalism, as is Samuel H. Hadley, president Protected Home Circle.

Judge Henry Manser, New England Order of Protection, said all fraternalists recognize the merits of advertising the facts that most fraternalists now offer sound protection; that they can fulfill their contracts. He said 95 percent of members who joined during the heyday of the societies were unacquainted with all the benefits of their protection. That, he said, was the job of those at the head of the societies.

Need for Lodge Meetings

Mr. Hadley, who delivered the first address in the Presidents' Section, also stressed stimulation of lodge activities and other aspects of fraternalism, which, he said, many societies in recent years have ceased to emphasize. Luncheon clubs in many sections have superseded lodge meetings. "I believe there always will be a call for the lodge meetings," he said, "although some say the lodge never will function again as in the past. Fraternalism is applied Christianity." He urged that the ritualistic work be done well and with dignity as a means of drawing more members back to the lodges. He noted that the juvenile movement in the societies has swept the country, there being steady growth in this class. The general growth in the fraternal insurance business, he said, has been due largely to the boys and girls admitted as members.

The national advertising committee, it appeared, had been somewhat hampered by having the proposal appear directly before the congress. A motion by Philip Steele, head of the Chicago Fraternal Life, to dissolve the committee was adopted. It is understood the committee will continue to function, but without necessity of reporting to the congress.

President Bradshaw's Views

Comments on the great need for reviving of lodge activities and strengthening of fraternal work were made by a number of leaders. De E. Bradshaw, president Woodmen of the World, Omaha, said, "It is imperative that we stress the fraternal features and make the most of our lodge system. The people who like to contribute their time to community welfare become good fraternalists. There are great advantages to us in our homes and hospitals and in the cooperative effort needed to keep them going."

Mr. Hadley said there has been too much talk among societies about loss in volume of members, which was to be expected in depression. "The tide has turned," he said. "We must put on the original garb of fraternalism, and advertise it. We need enlarged fraternal services."

Other Fraternal Leaders Speak

Mr. Steele said the greatest drawback today is that some "old-timers" in the societies hang onto their offices. Where younger members are pushed up in the ranks, lodge work is revived and strengthened.

Ross L. Holloway, head of the Gleaner Life, Detroit, said the lodge activities should be shaped to mold the lives of the young people. Members should have a part in every movement for community improvement. Mrs. Frances Buell Olson, head of the Degree of Honor Protective of St. Paul, stressed that fraternal activity is the chief difference between fraternal insurance and old line. Lodge work is very broadening and educational, she said.

Mrs. Dora Alexander Talley, president Woodmen Circle, Omaha, said it is helpful to have a person or persons on the ground to promote lodge work, not depending on the field force to do so. It is the first duty of the field men and women to get new business. Lodge

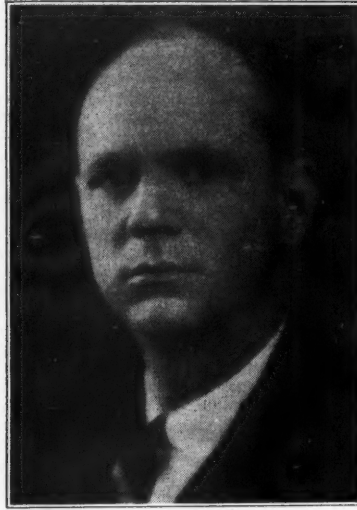
Featured on Des Moines Program



SENECA GAMBLE

Among those featured on the program for the meeting of the National Association of Life Underwriters in Des Moines the week of Sept. 18 are Seneca Gamble and Guy Lyman.

Mr. Gamble, who is head of the direct



GUY LYMAN

mail department of the Massachusetts Mutual, will conduct a seminar on use of direct mail in selling. Mr. Lyman, who is general agent for the Pacific Mutual in New Orleans, will give an address on "Life Insurance in Action."

promotion has been made secondary, she noted.

F. W. Heckenkamp, president Western Catholic Union, Quincy, Ill., said the deputies are selling members and not insurance. He suggested that a committee of three be named to suggest ways and means of improving fraternal service and lodge work.

Mrs. A. Emily Napieralski, head of the Polish Women's Alliance of Chicago, noted that legislators and fraternal members must be convinced that the societies are different in character from other organizations writing life insurance.

Judge J. C. Karel of Milwaukee, retiring president of the N. F. C., announced that he would offer a suggestion in the second day's meeting to abolish some sections of the congress and create a Field Section. On motion of Mr. Hadley the Presidents Section voted to recommend this action to the general session.

John C. Snyder, president Ben Hur Life, Crawfordsville, Ind., said he had not changed his mind about the advantages of national advertising, nor about the value of pointing the attention of legislators to the benevolence and lodge service of societies.

Mrs. Talley was elected president of the Presidents' Section, the other new officers being: Vice-president, Thomas H. Walters, general manager Junior Order United American Mechanics, Philadelphia; secretary-treasurer, J. C. Karel.

Banquet a Brilliant Affair

The annual banquet the first night was a brilliant affair, with attendance of about 365, a large proportion being woman fraternal leaders, members of their staffs and wives and daughters of society heads. Judge Karel presided. Among those at the speakers' table were: T. H. Cannon, head Catholic Order of Foresters, Chicago, and secretary of the N. F. C.; De E. Bradshaw, Woodmen of the World; Mrs. Anna R. Downes, head of the Women's Catholic Order of Foresters, Chicago; Peter F. Gilroy, Woodmen of the World of Denver; Dr. W. E. Thornton, medical director Lincoln National Life; Mrs. Napieralski, Polish Woman's Alliance; Camille Manseau, president Canadian Fraternal Congress, and Bradley C. Marks, head of the A. O. U. W. of North Dakota, Fargo.

Judge McBride of the domestic relations court in Pittsburgh, noted woman

jurist, gave a short talk, expressing appreciation for the home and sound Americanism building work done by fraternalists. A feature was the bearing of a birthday cake to John C. Snyder of the Ben Hur Life, August, his birth month, being recognized by the field force in a special campaign. John M. Callahan, secretary Catholic Knights of Wisconsin, Milwaukee, entertained with a number of stories designed to embarrass various of the notables present.

Annuity Selling Still Keeping Up

(CONTINUED FROM PAGE 1)

lent to a tax exempt income of 4.3 percent on his annuity consideration for 23 years, or until he is 78 years old, or about 1.44 percent tax exempt income on the whole \$100,000 for that period. At first glance this may not seem like much of an attraction, but to a man in a high income surtax bracket the tax exempt feature is of real importance because of the drastically higher rates which apply.

Dividends Are Received

In addition to the return on the annuity, there would also be paid dividends on the single premium life policy in the case of a participating company. In the case of a non-par company the lower premium on a single premium life policy permits a larger portion to be used to buy an annuity, so that the two plans give roughly the same return. The total return on a single premium combination of the type described is around 3 to 3 1/4 percent, depending on the age of the buyer and the company chosen. Aside from the tax angle, such a purchase offers a return which is exceptionally favorable for an investment of unquestioned safety at today's interest rate levels.

Advantages of the Combination

The advantages of such a combination do not stop with the income tax angle. By making his wife a gift of the single premium life policy and divesting himself of all control of it, the buyer avoids any federal estate tax on the \$100,000 when it becomes a death claim. Where the buyer's estate falls in a high estate tax bracket the saving would be substantial. For example, if his estate is valued at \$600,000 it would be slated to pay a tax of 23 percent or

\$23,000 on the \$100,000 at his death under the proposed law, if it were part of his general estate. This amount would be saved for the beneficiary if the foregoing insurance plan were adopted.

If the buyer has not made any taxable gifts to his wife he will be subject to a gift tax on only the difference between \$50,000 (the gift tax exemption) and the premium on his life policy—and the gift tax rate is considerably less than the estate tax rate.

The non-medical combination forms previously mentioned are the same thing as taking two contracts separately, except that because of the non-medical feature the companies issuing them specify that the total consideration must be at least 106 percent (or 107 1/2 or 110 percent depending on the company) of the face amount of the single premium policy. This is to guard against the possibility that the buyer may die very soon after the contract is issued. If the total transaction were for the same amount as the face of the single premium policy, the company, in case of a policyholder dying soon after issuance, would have received \$100,000, would have paid out acquisition costs and other expenses, and would still have to pay \$100,000 to the beneficiary.

Not only has the proposed increase in income and estate taxes caused a rush on the part of wealthy buyers, but the fact of the whole question being greatly in the public eye has caused people to consider the wisdom of buying life insurance to help solve their estate tax problems even where there was almost as much reason to do so under the old law.

Detailed Program for Des Moines Meeting Given

(CONTINUED FROM PAGE 1)

Invocation, Rabbi Eugene Mannheimer, Temple B'Nai Jeshurun.

The American College of Life Underwriters, conferment exercises.

"Future Influence of the American College of Life Underwriters and of Chartered Life Underwriters," Julian S. Myrick, New York.

Presentation of C. L. U. candidates, Dr. David McCahan, dean.

Conferment of diplomas, Dr. S. S. Huebner, president.

Prospecting clinic, led by C. Preston Dawson, New York, assisted by L. A. Spencer, Youngstown, O., Charles E. Hodgman, Detroit.

"What It Takes to Make a Million Dollar Producer," Harry T. Wright, Chicago.

"Foundations," John R. Todd, New York.

8 a. m. Breakfast for women underwriters, Corinne V. Loomis, Boston, chairman.

1 p. m. Luncheon and round table conference for women underwriters, Corinne V. Loomis, chairman.

1 p. m. Supervisors luncheon and meeting, Roy L. Swarzman, Des Moines, chairman.

3:30 p. m. Entertainment, Des Moines association host at afternoon and evening party at Riverview park.

Friday, Sept. 20

9 a. m. Morning session, Lester O. Schriver, chairman.

Invocation, Rev. Frederick S. Weerts, pastor St. John's Evangelical Lutheran Church.

"Sixty-three Million Americans Can't Be Wronged," Roger B. Hull, New York.

"Package Sales to Average Buyers," Henry Files, Cedar Rapids, Ia.

"Life Insurance Week in 1936," S. T. Whately.

"What's Ahead," LeRoy A. Lincoln, New York.

Report of the resolutions committee.

Report of nominating committee.

Announcements and adjournment.

2 p. m. Afternoon session, C. Vivian Anderson, chairman.

"How to make a Sales Presentation Stay Presented," Borden & Busse, New York.

"People Want to Live. Like to Live and Do Live," Ralph G. Engelsman, New York.

Announcements and adjournment.

The New York Life has leased offices on the 12th floor of the Paul Brown building, St. Louis, and plans to move from its present location in the Franklin-American Trust building, about Jan. 1.

Best, Yetka Square Off for a Battle

(CONTINUED FROM PAGE 6)

late and publish ratings of insurance companies was given by Commissioner Frank Yetka in his talk before the Minnesota Association of Insurance Agents at Hibbing. Mr. Yetka said he will welcome law suits from all such concerns as may question the legality of his recent ruling. At times his remarks were caustic. He did not mince words. In fact, his audience was surprised at the frank and open manner in which he spoke.

He explained that his ruling only prohibits the use of ratings in the actual solicitation of business. It does not prohibit their publication or distribution in the state. Mr. Yetka said he recognizes that he has no power to prevent the publication of ratings or their shipment into Minnesota. His ruling does not refer to an insurance man carrying or referring to ratings, but is aimed only at their use in solicitation.

He became rather heated in tone when he told of his recent meetings in St. Paul with the publishers of ratings. A representative of one such concern told him, Mr. Yetka said, that all raters were really nothing but racketeers except his own firm. A rival publisher made the same statement to him. Both wanted him to indorse only their own plan of rating.

"One of these fellows told me," said Mr. Yetka "that he wouldn't accept advertisements except from approved companies, but you might as well turn a statement like that around the other way and say that he won't approve a company unless it advertises."

"This same fellow told me," continued Mr. Yetka, "that there never had been a failure of a company that was given the top rating by his firm. He told me that when a company gets the best rating from his concern it doesn't fail."

"Well, I checked up that statement and found that in a three-year period there were 19 casualty companies and 11 life companies that had to go out of business because of financial troubles. All of these had an excellent rating from this publisher. Some of them went into the hands of the receiver only three months after they got the high rating."

Mr. Yetka said that no rater is in a position to know the true condition of a company as well as the insurance department. He said the insurance department which knows the personnel, the conditions and the background of all of the companies under its jurisdiction, especially the home state com-

panies, is never even consulted by the rating firm when ratings are being assigned the various companies.

"I still believe there is such a thing as a moral risk," Mr. Yetka said. "A company's financial statement only tells part of the story. How about the men who are running it? Are they fair and square, and have they always been honorable in their dealings? If they have that is a big point in their favor. We have seen enough of what has been done to corporations by unscrupulous, scheming officers. If the officials of a company do not have a strong moral fibre, then their company is one to be avoided even if its financial statement looks all right."

Mr. Yetka said he felt that the insurance fraternity in Minnesota is behind him as regards his ruling on ratings. There has not been a single complaint from companies or agents. The only complaints he has received, Mr. Yetka said, have been from those vitally interested in ratings or their attorneys.

Most good companies and agents are not using ratings in the solicitation of business, Mr. Yetka said. The Minnesota department would favor licensing only those agents who do not misrepresent. It is almost impossible to determine those who are misrepresenting, but the ruling on ratings does make it dangerous for any company or agent to mislead an uninformed and gullible public through the use of ratings.

Pink, on Radio, Warns of State Insurance Tendency

NEW YORK, Aug. 29.—While there are some things that only government can do, private enterprise has proven that it can intelligently and successfully carry on the insurance business, said Superintendent Pink of New York in a radio address.

"There is today abroad in the land a demand for larger participation in the insurance business on the part of government," he said. "In the light of our present knowledge, this is an unfortunate tendency, except where private enterprise cannot adequately perform a social function. Government has enough to do today without taking over the insurance business. Government insurance and state funds, while worthy of careful study and experimentation, are with appropriate exceptions, a doubtful road to insurance safety—one to be traveled with caution."

Expressing sympathy with the aims of the federal social security program, Mr. Pink pointed out that this activity would supplement rather than conflict with private insurance enterprise and that government will not take over insurance if those in charge of the institution realize the broad social obligations of their business.

In an effort to clarify the public's apparent illusion that state supervision should constitute a guarantee of solvency, Mr. Pink pointed out that such a guarantee would be impossible without complete state control involving a comprehensive system of state insurance which he considered to be repugnant to most Americans. Regulation, however adequate, he warned, can never take the place of careful selection, and the public should choose those companies which have a reputation for progressive and honest management and for financial strength. He expressed the hope that in time methods would be devised to mitigate the hardships caused by failures of unsound companies. As a step toward this he mentioned the workmen's compensation, security fund established by the 1935 legislature.

Southern Life Completed

Organization of the Southern Life of Georgia, a subsidiary of the Southern Insurance Securities Corporation, has been perfected at Atlanta. Dr. Dan Y. Sage, an Atlanta physician, is president. W. L. Moore, president of the Wofford Oil Company, is chairman of the board.

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EDITORIAL COMMENT

Intelligent Inflation Talk

FEW words have ever been as over-worked with such a large variation in meanings as INFLATION. One of the most common objections and excuses met by life insurance agents today is the fear of inflation. Clear thinking on the subject of inflation is imperative and logical analyses along economic lines should supersede the hysterical bogey man expressions that have been so prevalent in the past.

Life insurance agents can equip themselves with effective arguments and explanations in answering inflation talk by studying carefully the discussion by NORTON J. WILLIAMS, supreme vice-president of the *EQUITABLE RESERVE*, which is published in this issue.

Inflation is not a unique situation, it has appeared and disappeared many times in the past century, so it should not be regarded as a permanent thing. The principal question that policyholders are asking is should they pay for life insurance today in dollars of comparatively high purchasing power, when under the terms of the policy, life insurance organizations may in later years pay the policyholders or beneficiaries in dollars of decreased purchasing power. If a man decides that the logical thing to do is to purchase commodities, real estate or common stock at the present time to hedge against inflation, the question arises what should he buy? In answer to this Mr. WILLIAMS points out that financial forecasters have erred in the past and in the final analysis there is no certain method of profit by inflation. "A chart signifying the different type of investments made by an average man

would show a ragged picture of gains and losses, while a chart showing investments in life insurance by the average man would show a consistent and regular gain," said Mr. WILLIAMS.

A man who is considering an attempt to make an investment killing in the next inflationary period must not lose sight of the fact that the living costs have increased and that his present life insurance does not provide sufficient coverage for his family under such circumstances. Mr. WILLIAMS points out that the policyholder should not forget that life insurance is a long time investment and inflation is usually a matter of a few years and over a period of time the policyholder will pay his premiums in average dollars.

There is another factor which is more important than the relative buying power of a dollar and that is that life insurance is always paid with CHEAP dollars, because they come from the surplus of one's earnings, while they are paid back to the policyholders in old age or to his beneficiaries in DEAR dollars because they come at a time when they are most needed.

When one studies the pertinent points presented by Mr. WILLIAMS one realizes that life insurance policyholders have nothing to fear from credit inflation. The credit inflation of the late twenties deterred no one from buying life insurance. Mr. WILLIAMS also points out that the possibilities of repudiation of the national currency are far remote and even if that action is threatened the great influence wielded by insurance policyholders would be sufficient to avert such catastrophe.

Drawing the Line As to Prospects

In addressing various meetings of insurance agents in the far west, FRANK T. PRIEST of WICHITA, prominent insurance agent, expressed the opinion that agents every day are losing business because they fail to ask for it. The agent, he contended, should become habituated to asking for business.

There is a good deal more than the commonplace to Mr. PRIEST's observation. Some agents, as a matter of policy, draw the line between those whom they will ask for business and those whom they will not. Some agents refrain from soliciting personal, family friends. "They know what business I'm in and if they want to do business with me, they will broach the matter," is a familiar theory. Other agents may draw the line against soliciting insurance of the lodge to which they belong, or members of the fraternity or lodge. Others

feel it is not refined to go after insurance on their church, etc.

A safe assertion is that most insurance producers in all branches of the business, who are at the top, don't draw many lines when it comes to prospects. They are not concerned about any theoretical niceties. That does not mean that they are crudely exploiting religious, fraternal or social connections. The insurance agent does business with the public, rather than with a particular trade and anyone who has anything to insure is a prospect. There is no reason why an agent should not use every advantage he enjoys. What he has to sell is legitimate and for the most part indispensable. There is no reason why he should stand back and lose the business of those with whom he has some special connection.

The agents who refrain from taking

advantage of natural contacts probably are deterred by the somewhat general reputation of an insurance agent as a man who joins clubs, goes to parties and even goes to church for business purposes. Some agents, conscious of that reputation, lean backwards to avoid being considered in the same light.

Of course, there are a good many agents who become social outcasts, because it is obvious that they rarely make a whole souled move. They do under-

take to join clubs and participate in social activities with the sole idea of capitalizing on the contact. Much depends upon the motive and the spirit. The men who refrain from taking advantage of their natural contacts are probably, by and large, the ones who could most gracefully do so.

It is something of a test of bigness to ask friends for business and keep their friendship. One who can do this need never fear being called a pest.

Recognition for Sub-standard

NOT enough recognition has been given to the life insurance companies specializing in sub-standard risks. In a learned study on sub-standard insurance which he presented at the NATIONAL FRATERNAL CONGRESS this week, Dr. W. E. THORNTON, medical director of the LINCOLN NATIONAL LIFE, congratulated the fraternal companies for showing more interest in sub-standard insurance and their contemplation of extending insurance protection to this type of risk. Extension of protection to those who by reason of impairment of some sort are excluded from its ordinary coverages is a worthy motive, said Dr. Thornton. "To sell protection to the large-

est possible number of people" is an ideal that is obviously desirable socially and it can be attained by methods and means that are economically sound.

Although sub-standard insurance takes more time, thought, study and effort than strictly standard business, it is quite within the powers of any organization which cares to do the thing right, said Dr. Thornton.

Much progress has been made in sub-standard underwriting although much remains to be done. The sub-standard field offers an opportunity for extending the service of life insurance, and at the same time provides an opportunity for gain by the life insurance companies.

PERSONAL SIDE OF BUSINESS

John P. Harris, for 13 years prominent in insurance circles of Oklahoma City, has been made a member of the city school board. Mr. Harris is branch manager for the Mutual Benefit Health & Accident and the United Benefit Life at Oklahoma City.

H. W. Carlisle of Marsh & McLennan at Chicago who underwent an operation for appendicitis at the Evanston Hospital, is now back home and expects to be on the job in the Chicago office after the first of the month.

Mr. and Mrs. **Alexander F. Gillis** celebrated their 25th wedding anniversary at their home in Arlington, N. J. Mr. Gillis is general agent in northern New Jersey for the Provident Mutual Life and has been affiliated with the company for 15 years.

John F. Roche, who retired as vice-president of the Manhattan Life in 1928, died at his home in East Orange, N. J., after a brief illness at the age of 73. He was still a director of the company. He entered the life insurance business as a clerk away back in the 80's with the New York Life. In 1904 he went to the Pacific Coast and became vice-president of the Pacific Mutual with which company he remained until 1910 when he returned to New York and joined the Manhattan Life.

Wilson Williams, New Orleans general agent of the New England Mutual Life, is enjoying an outing in the Rocky mountains and a trip to the west coast. Mr. Williams was recently featured in the New Orleans "Item's" sketchbook column. He is a native of Richmond, Va., and graduated from the

University of Virginia. He has been in the life insurance business for 40 years, having been a general agent five years and superintendent of agents 10 years, for the Security Mutual Life before becoming general agent for the New England Mutual in 1911.

Mr. Williams is a past vice-president of the Life Underwriters' Association of Louisiana, and past president of the New England Mutual General Agents' Association.

A pilgrimage to the grave of the late **Henry F. Tyrrell**, one of the founders and until his death last February all-time scribe of the Pamunkey Tribe of Real Indians, at Racine, Wis., was made Aug. 23 by Clarence C. Klocksins, now scribe of the organization, to place a wreath on the tomb in respect to Mr. Tyrrell's memory on behalf of the Pamunkey Tribe. Mrs. Tyrrell, the widow, who still makes her home in Milwaukee, accompanied Mr. Klocksins. The tribute was voted at the recent meeting of the Pamunkeys at Seattle, following reading of a memorial to the late Mr. Tyrrell by Jesse S. Phillips at the conclusion of the ritual. Mr. Tyrrell was for many years before his death legislative counsel for the Northwestern Mutual Life of Milwaukee. Mr. Klocksins, formerly assistant legislative counsel, recently was appointed to succeed Mr. Tyrrell in that office.

E. E. Enoch, new general agent of the Connecticut General Life at Cincinnati, was given a farewell dinner last week by his associates in the Chicago office, where he has been assistant manager. F. H. Haviland, Chicago manager with whom he gained his insurance experience, lauded him as a "de-



THE NATIONAL UNDERWRITER

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York.

LIFE INSURANCE EDITION

PUBLISHED EVERY FRIDAY

PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Wabash 2704.

E. J. WOHLGEMUTH, President
LEVERING CARTWRIGHT, Ass't Man.

C. M. CARTWRIGHT, Managing Editor
Associate Editors: F. A. POST, C. D. SPENCER, D. R. SCHILLING

H. J. BURRIDGE, Vice-Pres.-Gen. Mgr.
Associate Managers: W. A. SCANLON, G. C. ROEDING, O. E. SCHWARTZ

JOHN F. WOHLGEMUTH, Secretary

CINCINNATI OFFICE—420 E. Fourth St., Tel. Parkway 2140. L. H. Martin, Mgr.; Abner Thorp Jr., Director Life Ins. Service Dept.; C. C. Crocker, Mgr., Handbook Dept.

HARTFORD OFFICE—Room 802, 18 Asylum St., Telephone 7-1227. R. E. Richman, Mgr.

NEW YORK OFFICE—1200-123 William St., Tel. Beekman 2-3958. Editorial Dept.—G. A. Watson, Associate Editor; R. B. Mitchell, Assistant Editor. Business Dept.—N. V. Paul, Vice-Pres.; W. J. Smyth, Res. Mgr.; J. T. Curtin, Mgr., Industrial Dept.

SAN FRANCISCO OFFICE—507-8-9 Flatiron Bldg., Tel. Kearny 3054. F. W. Bland, Res. Mgr.; Miss A. V. Bowyer, Pacific Coast Editor. DALLAS OFFICE—1218 Kirby Bldg., Tel. 2-4491. Fred B. Humphrey, Res. Mgr. DETROIT OFFICE—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Res. Mgr.

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Subscription Price \$8.00 a year; in Canada, \$5.50 a year. Single Copies, 15 cents. In Combination with The National Underwriter Fire and Casualty, \$5.50 a year; Canada, \$10.50. Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill., Under Act, March 3, 1879.

pendable" man. Mr. Enoch is only 32 years old. R. J. Maddigan of the Haviland agency was toastmaster.

Franklin D'Olier, vice-president Prudential, has been appointed to the new citizens' noise abatement committee of Newark.

Walter W. Head, president of the General American Life, has returned from a business trip to Europe.

As president of the national council of the Boy Scouts of America he presented President Roosevelt who delivered a radio address to the boy scouts. While abroad Mr. Head attended the international conference of scout leaders at Stockholm.

Samuel H. Elrod of Clark, S. D., vice-president of the Midland National Life, died the other day. He was ex-governor of the state and had been vice-president of the company for a number of years. He served on the board for the last 20 years.

G. E. Lackey, general agent Massachusetts Mutual in Detroit, Mrs. Lackey and their family are spending the remainder of the warm weather at the Lackey country home near Rochester, Mich., where Mr. Lackey is experimenting with farming.

H. E. Van De Walker, Detroit, Michigan state agent of the Ohio State Life, has been appointed by the governor of Michigan for another three-year term as a member of the State Crippled Children's Commission. He was responsible in large measure for the creation of the commission in 1927 and has served as its chairman since its organization.

Commissioner O. B. Hunt of Pennsylvania was in Chicago attending a roundup of claim representatives of the Continental Casualty. Mr. Hunt, before being appointed insurance commissioner, was eastern claim representative of the Continental Casualty with headquarters at Philadelphia. He was one of the speakers at the Chicago session.

Thomas E. Berry of Hillsboro, O., agent of the Columbus Mutual Life, works largely among the agricultural people. He is an ideal man for his com-

munity. He has the confidence of the people. He is a teacher in the high school at Hillsboro, his specialty being science. In addition Mr. Berry conducts a column in a number of country papers whose circulation is about 200,000, in which he writes human interest stories largely for farmers. These are weekly contributions and have attracted wide attention.

Dr. C. E. Iliff, Western & Southern medical director, and Mrs. Iliff recently returned to Cincinnati from a California cruise by way of Columbia, Panama, El Salvador, Guatemala and Mexico.

The condition of **Dr. C. C. Criss**, president of Mutual Benefit Health & Accident and United Benefit Life, was reported at the home office in Omaha vastly improved. Dr. Criss is confined in Northwestern hospital at Minneapolis where he was taken two weeks ago for an emergency appendectomy.

H. A. Behrens, president Continental Casualty and Continental Assurance of Chicago, who has spent the summer at his summer home on Belvidere Island in San Francisco Bay, is slated to be at his office the morning of Sept. 9 to take up the arduous duties of the season.

Ed S. Villmoare, vice-president Kansas City Life, has for years been on hand to see Congress convene and adjourn. Last week he celebrated his 70th birthday anniversary by flying to Washington. In commenting on the Washington scene, Mr. Villmoare said, "This show beats anything I have ever seen."

Joseph K. Bye, secretary-treasurer of the Ohio State Life, accompanied by Mrs. Bye, is on a vacation trip through the Adirondacks to Montreal and Quebec.

Jacob L. Babler, one time vice-president of the old International Life, has directed his attorneys to work on plans for a perpetual trust fund that eventually will total upwards of \$3,000,000 to be used for the development and maintenance of the **Dr. Edwin A. Babler** Memorial Park near St. Louis. Dr. Babler prior to his death several years ago was medical director for the International Life.

NEWS OF THE COMPANIES

Reports on Mutual Benefits

Illinois Department Has Examined Some of the Concerns Licensed in the State

The Illinois department has made examination of some of the mutual benefit concerns. As to the Jasper County Mutual Benefit of Mattoon, Ill., its assets are \$1,890 and liabilities \$650. The department states that the payment of salaries must be authorized by the directors. Furthermore, it declares that the mutual benefit act does not contemplate the paying of claims on the instalment basis and therefore that practice must be discontinued. It finds that the records are not kept in shape so that a proper accounting can be made of the association's affairs.

A report is made on the Egyptian Central Mutual Benefit of Neoga. Its assets are \$1,728 and liabilities \$3,838. The department ordered assessments to be levied to avoid a repetition of accumulated claims such as accrued prior to Dec. 31 last. It orders the guaranty fund to be brought up to minimum organization requirements. The report states that all disbursements for expenses must be approved by the directors.

Report is made on the Plymouth Mutual Benefit of Neoga, its assets being \$921 and liabilities \$1,000. This concern also is ordered to bring its guaranty fund up to minimum organization re-

quirements. The report also states that claims must be made in accordance with the certificate provision.

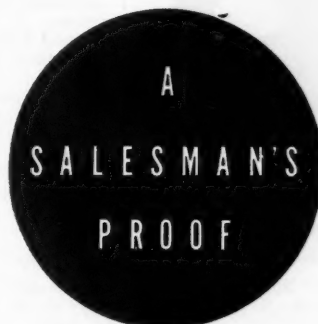
Report is made on the Excelsior Mutual Benefit of Olney. Its assets are \$1,348, liabilities \$2,050. The department ordered this concern to levy a proper assessment so that it meet the minimum organization requirements. It also states that more care must be exercised in maintaining proper records.

Yeomen Mutual Contest

The Yeomen Mutual Life of Des Moines has built a contest around the meeting of the National Association of Life Underwriters which will be held in its home city. Those who write a certain quota of business in a contest terminating Labor Day will have all their expenses paid to the convention. Sandwiched in between the National convention sessions will be the Yeomen Mutual's agency convention. July reflected 172 percent increase over July of last year. The agency force produced over \$1,000,000 in August. T. H. Young, assistant superintendent of agents, is managing the campaign.

Hearing Scheduled for October

CINCINNATI, Aug. 29.—Hearing by the circuit court of appeals as to the jurisdiction of Federal Judge Nevin in appointing receivers for the Federal Union Life of Cincinnati will take place the second week of October. Under Ohio law the appointment of a receiver



Though a product or service may be technically sound—the very apple of its makers eye—it can fail miserably if the prospect doesn't like it. We have long been sure that the Mutual Benefit policy contract is technically and "mutually" sound . . . but Mutual Benefit men proved again that prospects like and will buy it. Here is the proof: they hung up a new record in submitted applications, doubling the goal they had set and far surpassing the previous best week of the Company's history. The selling idea: "superior contract."

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is a function of the insurance department. Both the department and officers of the Federal Union are contesting the appointment of a receiver.

Judge Nevin has appointed three appraisers to determine the value of the assets of the company and an appraisal is now being made. The receivers are proceeding slowly until the question of jurisdiction is decided.

The court did not make any disposition as to the payment of claims and until Judge Nevin returns from his vacation, death claims will not be paid.

Acacia Publishes Honor Roll

Interest will be taken in the advertisement in this week's issue of the Acacia Mutual Life, containing the "Acacia Quality Roll Call." The company in this way pays its respect to those who have qualified for the William Montgomery Quality Club. The by-laws provide that an agent who has produced new quality business in the amount of at least \$50,000 during a six months period is qualified as an active member of the club subject to certain rules. Net new business is the amount placed during the six months, less the amount of any first or second years lapses during the same period, plus the amount of re-instated policies that lapsed before two full years premiums had been paid. Net new for the six months must be not less than 75 per cent of the placed for the same period. If the agent is more than 60 years old the requirement is reduced to \$35,000 and for those past 65 \$20,000, provided the agent has been with the company at least five years. The agent remains an active member for six months and during that period he must again qualify to retain his active membership for the next semester.

Wellman Handles Agency Work

Alex C. Wellman, vice-president and actuary of Protective Life, Birmingham, has taken over the duties of superintendent of agencies made vacant by the recent resignation of LaNoue Matta.

Report on Burial Society

The Illinois department has filed its report of the examination of the St. Joseph Benevolent of Chicago, a burial society. Its assets are \$23,583 and liabilities \$1,289. The department states

To State Mutual



G. H. YOUNG

Gerald H. Young, who becomes assistant superintendent of agencies of the State Mutual Life at the home office, was supervisor of the home office general agency of the Northwestern Mutual Life at Milwaukee and made an excellent record. He had been connected with the agency for six and a half years.

that the management should install and maintain adequate records so that a proper accounting can be made at all times. The examiners state that the association should dispose of its investments in partial issues of first mortgage bonds as soon as possible.

Prudential Buys Addition

NEWARK, Aug. 29.—W. I. Hamilton, vice-president Prudential, has announced that the company has bought a five story loft building on the east side of High street, Newark, and adjoining property on Warren street. The Warren street building will be torn down but the five story loft building will be used by the insurance company. It was expected that the company would purchase the old post office building which will be closed very shortly, but the plan has fallen through.

American National Reports

The American National of Texas reports \$114,082,679 new paid business in the first six months, compared to \$121,971,679 last year. Insurance in force increased \$19,305,681 during the first six months and last year in the same period it increased \$27,027,326.

New Assessment Company

A charter has been issued to the North American Life Association of Richmond, Va., to write life and casualty lines on an assessment basis. F. E. Brown is president.

sessions. There was a different man presiding each session, he being chosen because of his outstanding work, they being F. O. Quick, Cleveland; A. L. Gray, Chicago; George J. Dobben, Jackson, Mich., and H. A. Burdge of Bluffton, Ind. There were three guest speakers, they being Ralph E. Engelsman of New York City, general agent Penn Mutual Life; Philip O. Works of St. Louis, general agent Penn Mutual, and Ernest W. Owen of Detroit, manager of the Sun Life.

Home Office Men on Program

The home office men who appeared on the program were President D. E. Ball, Vice-president and Counsel T. H. Tangeman, Mr. Preston; Dr. W. A. Jaquith, medical director; Robert Barr, manager renewal department; E. R. Kuck, assistant to the president, and Col. Forrest Braden, assistant to the president.

At the banquet in the evening First Vice-president S. A. Hoskins presided as toastmaster. Secretary Carl H. Mitchell presented Mr. Berridge with a silver pitcher because of his record. The address of the evening was given by James Schermerhorn of Detroit, former publisher of the Detroit "Times."

The agents who were assigned places on the program were Ben J. Dobben of Cleveland, Walter I. Easly, Detroit; Thomas E. Berry of Hillsboro, O.; H. H. Cecil, Hutchinson, Kan.; C. R. Hoover, Detroit; J. J. Dvorak, Cleveland. Saturday the entire party was taken to Bob-Lo Island, an attractive resort, by boat.

The details of the convention were largely in the hands of Agency Secretary R. A. Engler and Publicity Manager Harry Brandon.

Engelsman Conducted Forum

Mr. Engelsman in his appearance on the second day's program conducted a forum allowing agents to ask questions and he answered them according to his own ideas.

Dr. Jaquith said in his talk that the approach of a medical director to his work must not be that of purely a professional man. It should rather be that of a business man who brings his professional knowledge to bear on the task at hand.

Mr. Berry in his talk said that an agent should always be big enough to boss himself. He feels that a daily routine is essential to success. He advocated the routine of the doctor; that is, the physician has a regular prepared program for office hours and calls. He thinks when one goes out and expects to sell he will accomplish something. He believes that it is highly necessary to carefully pick prospects. Mr. Berry said that he usually did not close a prospect on the first call but he tried to get back to see him again within a week or ten days.

Colonel Braden expressed the opinion that the doubt and uncertainty as to money matters at present will not affect life insurance because it is the most certain thing in people's minds. It should on the other hand help life insurance production.

Talk by Mr. Preston

Mr. Preston said that all agents should be profitably in the business. They should make sufficient money to enable them to live comfortably. He told the agents that there was material to be gotten out of the medical blank for prospecting. In that blank the applicant told about his parents, members of his family and gave information of this type that might be used in getting business. He said that the Columbus Mutual home office hereafter will attach a card to every policy sent out to the agents to be delivered with this prospecting material attached that had been gotten from the medical blank. Mr. Preston in his talk differentiated between hoping and wanting when it applied to soliciting life insurance. He said that the agent should get the prospect in the mind where he wanted insurance. He said that the proposal should be made so clear and simple

that a ten year old child could understand what was being offered. He said that some agents think simply but talk too elaborately.

Eastern Regional Meeting for Mutual Benefit Sept. 5

An eastern regional conference and managers' executive meeting will be held by the Mutual Benefit Health & Accident and the United Benefit Life of Omaha at Atlantic City Sept. 5-7. E. S. Hall will preside at the managers' session and talks will be given by S. C. Carroll, vice-president, on "What Makes It Possible," and by D. M. Brovan, home office agency supervisor, on "This and That."

The agents' convention following the managers' meeting will be in charge of F. L. Stephens, Newark manager. Commissioner C. K. Withers of New Jersey will welcome the visitors, Rev. Dr. L. H. Clee, speaker of the New Jersey house of representatives, will talk on "The Four Fundamentals." R. D. Perry, New Jersey agency supervisor, will discuss "Harmonizing," and A. E. Thysilius, of the Hooper-Holmes Bureau, supervisor, will talk on "Inspecting Health & Accident Risks." Vice-president Carroll will talk on "The Good Fight." Agency Supervisor Brovan will discuss "The Most Salable Policies in the World." "Walk and Talk Through the Home Office," a motion picture, will also be shown by Mr. Brovan. R. F. Sheehan, Rhode Island manager, will talk on "The East and the Companion Company," Mr. Terry on "Harmonizing." Roger B. Hull, general counsel National Association of Life Underwriters, will give an address. W. E. Huggins, superintendent of claims at the home office, will discuss "Cooperative Team Work," and A. H. Heuertz, Tennessee manager, "What the Companion Companies Can Do for You and You." A liberal program of entertainment is planned.

National Guardian Life Is Holding Its Convention

The 25th anniversary convention of the National Guardian Life is being held this week at the Edgewater Beach hotel, Chicago. It commemorates the 25th anniversary of President George A. Boissard's connection with the company. He has largely been responsible for its upbuilding and success. On Wednesday evening there was a dinner for members of the council, presided over by M. F. Emerson, the president. The main business meeting was held Thursday morning with Secretary W. J. Wandrey presiding. There were addresses by Col. C. B. Robbins, manager American Life Convention; E. B. Thurman, general agent New England Mutual Life; Vice-president and Actuary Richard Boissard and Arthur Towell, president Towell, Inc. The annual dinner will be held Friday evening of this week.

Eddleblute Agents Entertained

DENVER, Aug. 29.—Between 75 and 100 members of the C. E. Eddleblute agency of the Penn Mutual in Denver, covering Colorado, Wyoming, New Mexico, Arizona and western Nebraska, enjoyed an afternoon-evening picnic in the mountains near Denver.

McNamara Addresses Meet

Paul McNamara, vice-president of the North American Life of Chicago, addressed a meeting in St. Louis of the agents from eastern Missouri and southern Illinois. V. F. Larson, district representative, presided.

Spargur Agency Meets

Over 30 agents from 17 central Iowa counties of the J. A. Spargur agency of the Bankers Life of Iowa, will meet in Des Moines Aug. 31 for their annual fall business conference.

LIFE COMPANY CONVENTIONS

Convention Held at Victoria

California-Western States Life Agents Hold Their Annual Conference in Canada City

El Capitan Leading Producers Club of the California-Western States Life convened on Monday at Victoria, B. C., for its annual meeting with company officials.

An agency men's conference was held on the steamer going up the sound from Seattle. The club session was held Monday evening. The new president is L. B. Pyper of Tucson, Ariz. Grant Taggart of Cowley, Wyo., again led in production but was ineligible to succeed himself as president. Half-day business sessions followed on Tuesday, Wednesday and Thursday. President O. J. Lacy's dinner party took place Wednesday evening and the homeward trip started Thursday afternoon.

Business sessions this year had for their general theme, "Life Insurance, the Best Investment." Among the phases which came up for particular discussion were prospecting, life insurance as property, brief form presentations with pictorial illustrations, presenting a plan to the prospect, the comparative value of life insurance as property, and conservation. The business sessions were conducted by Ray P. Cox, vice-president and manager of agencies.

Members of the home office staff

present were President O. J. Lacy, Vice-President and Manager of Agencies Ray P. Cox, Vice-President and Treasurer E. B. Sherwin, Vice-President and Member of the Board Peter Cook, Jr., Director David Wasserman and Medical Director H. W. Gibbons, Secretary Arthur Luddy, Associate Actuaries R. N. Griswold and Marcus Gunn, Assistant Secretary Carl O. Brown, Chief Underwriter W. C. Kennedy, Superintendent of Field Service Frederick Faulkner, Superintendent of the Group Department Lee D. Cranmer, and Agency Secretary Benton Maret.

Columbus Mutual Convention

Three Distinguished Guest Speakers, R. G. Engelsman, Philip Works and Ernest Owen on the Program

James A. Preston, the new sales manager of the Columbus Mutual Life, was introduced to its agents at the agency convention in Detroit last week. Mr. Preston appeared on the program the morning of the second day, taking as his subject "Motivation." He made a great hit with the men and at the close of his address was given an unusual ovation. They expect much of him.

T. S. Berridge of Gallipolis, O., led the field in production having an application a week for 15 years. He was honorary chairman and opened all the

NEWS OF LIFE ASSOCIATIONS

New Michigan Setup Adopted

State Divided in Four Zones With Vice-president Put in Direct Charge of Each Division

DETROIT, Aug. 29.—A proposal to divide the state into four zones for closer supervision of underwriting activities in the life insurance field, advanced by P. J. Crandall, manager American Life in Jackson, and president Michigan State Association of Life Underwriters, was approved by the directors of the organization at a meeting here and will be placed in effect at once. Every district in the state was represented at the conference, at which Mr. Crandall presided.

Each district will be in direct charge of one of the state association vice-presidents, who will be responsible for maintaining contact with local associations in his territory. He will be expected to visit local associations as often as necessary to maintain this contact, conferring with local officers and directors on underwriting problems, counselling with them and if problems arise which require united action by the state association, to see that such problems are presented in the proper manner to the parent organization.

Zone Heads Announced

Under the new setup, W. M. Eastcott, manager Sun Life, Grand Rapids, will have charge of the western district, including Grand Rapids, Kalamazoo and Benton Harbor-St. Joseph; E. A. Poat, Equitable of New York, Battle Creek, will supervise the central zone, including Battle Creek, Jackson and Lansing; Will S. Reeves, manager Union Central, Detroit, will handle the metropolitan area, including Detroit, Pontiac and Ann Arbor, and L. A. Monks, Great-West Life, Bay City, will supervise the eastern zone, including Bay City, Saginaw and Flint.

J. A. Pino, Mutual Benefit, Lansing, was appointed chairman of the legislative committee, Mr. Reeves, chairman of the finance committee, Mr. Eastcott chairman of the annual convention committee and G. M. Stinson, Northwestern Mutual, Flint, chairman of the speakers' bureau and sales congress committee.

The operation of the Life Underwriters Council, formed last year as a liaison group between the life insurance field interests in the state and the insurance commissioner and his associates, was endorsed, and C. A. Macauley, state agent John Hancock in Detroit and chairman of the council, was appointed an honorary director of the state association.

The action of the insurance department in putting into effect to a large extent the recommendations of the special committee on agents' qualifications made several months ago, was heartily endorsed.

The state officers and directors were the guests of the managers' association at a dinner and entertainment in the evening. Guy A. Reem, State Mutual, introduced Seth Ryan, Penn Mutual who acted as toastmaster.

Salt Lake City—The association held its first picnic outing this year, there being 106 members who together with their wives enjoyed the program for the afternoon and evening. It was held at Lagoon Resort, near Farmington. There was a baseball game between the agency managers and agents. F. W. Sellwood was captain for the managers, and M. J. Sather for the agents. The managers won 23 to 6. Following the game there were races and other contests. C. R. Marcussen of the Beneficial Life won in the fat men's race and Chairman Hemstreet was second. Fred French won the root beer drinking contest with Fred Wagstaff second. Joseph Johnson won in a whistling contest.

Opposed to the Federal Tax

Detroit Life Men Go on Record on the Issue That Was Before Congress

DETROIT, Aug. 29.—The legislative committees of the Associated Life General Agents & Managers and the Qualified Life Underwriters, meeting with the officers, national committeeman and national trustee, unanimously endorsed the stand of the National Association of Life Underwriters in urging the ways and means committee of the federal House to exempt from taxation that portion of life insurance and annuity proceeds used to pay federal estate taxes and state inheritance taxes.

A reference to a split in local life insurance circles over the action of the taxation committee of the Detroit board of commerce in making similar recommendations to the ways and means committee is denied by association leaders, who point out that the life insurance interests in Detroit appreciate the efforts of the board of commerce to aid insurance men and policyholders in this manner but do not agree with the recommendation that a special form of policy be issued by the companies for the purpose of paying estate and inheritance taxes with the proceeds payable directly to the federal or state governments.

San Francisco—Plans for the "Sales Clinic" to be held as a feature of Huebner Day Sept. 3, are practically complete. Five star speakers will talk on "How Life Insurance Is Being Written in 1935." They are: Miss Alice Verda Small, Phoenix Mutual Life; W. J. Yuvan, Equitable Life of Iowa; H. O. Lisle, Provident Mutual; W. V. Power, Aetna Life; and F. J. Curry, Penn Mutual Life.

Wichita, Kan.—New officers have been elected as follows: R. G. Cunningham, Metropolitan, president; V. Probislo, Mutual Life of New York, vice-president; L. B. Rymph, secretary and treasurer. Ralph Pfremmer, Aetna Life, was chosen chairman of the board. M. F. Mulconery, New York Life, heads the grievance committee; A. D. Lynn, legislation; Roy Schroder, membership; Earl Watson, program; Bert Hedges, Business Men's Assurance, publicity; Wilbur Loveland, finance and budget.

Ashland, Ky.—W. H. Arthur, New York Life, is the new president; P. D. Stone, Mutual Benefit, is vice-president, and H. H. Meade, Ohio National, secretary. Fred Meneffe, Bankers of Iowa, is delegate to the National convention. Directors are L. J. Taft, John Hancock; C. M. Callihan, Pacific Mutual; Miss Josephine Ogden, Massachusetts Mutual; Mr. Stone and Mr. Arthur.

Cincinnati—President John W. Dalzell announces the following committee chairmen: Meetings, L. B. Schellhase; business practice, B. C. Thurman; regulations, W. A. R. Bruhl, Jr.; law and legislation, Ray Hodges; education, E. W. Simpkinson; public relations, W. T. Earls; civics, C. R. Robb; finance, R. E. Harrison; membership, H. O. Roth; program, A. R. Massa.

St. Paul—Fall activities will begin Sept. 9 with a noon meeting addressed by Rev. Henry N. Wilson.

Des Moines—Committee chairmen have been announced by Charles E. Brown, president: F. L. South will be in charge of meetings; A. H. Pickford, business standards and conservation; A. J. Johnson, by-laws and legislation; E. R. Gray, education and publicity; C. C. Clouse, finance; J. E. Rutherford, membership and Martin L. Seltzer, programs.

Bankers Hold Agency School

Forty Bankers Life agents from mid-western states will meet at the company's home offices in Des Moines for a school of instruction this week.

Aside from Unemployment

EARNING POWER CAN BE STOPPED BY 5 EVENTS

1. DISABILITY FROM ACCIDENT
2. DISABILITY FROM SICKNESS
3. LOSS OF LIMBS OR SIGHT
4. OLD AGE
5. DEATH

No man can escape all of the above 5 hazards. He will experience at least one of them. He will either be a dead man or an old one. In addition he may suffer disability

THE PACIFIC MUTUAL "5-WAY" POLICY

Guarantees Income
For these 5 hazards

Founded 1868
Pacific Mutual Life
Insurance Company OF CALIFORNIA

GEORGE I. COCHRAN, President

Home Office
Los Angeles, California

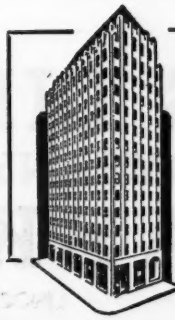
Operating in
42 States

Assets over
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Always A "Best Bet"
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Protective
LIFE INSURANCE CO.
BIRMINGHAM, ALABAMA.
S. F. Clabaugh, President

The Columbus Mutual

OFFERS

First—LOW COST INSURANCE TO SELL.

Second—LIBERAL COMMISSIONS FOR SELLING IT.
(An Unusual Combination)

Third—IDEAL WORKING CONDITIONS.

Vested Renewals—
Unrestricted Territory—
Automatic Promotion—
Equality of Opportunity—
The Right to Build Your Own Agency—
No one to interfere, dictate or coerce—
Every influence helpful, inspirational—
Reward determined not by chance, by guess,
or by favoritism, but by results—
The larger the production, the higher the rate
of compensation—

You do not have to fight for a better contract—
You rise to your rightful level without let or hindrance.

THE COLUMBUS MUTUAL LIFE
INSURANCE COMPANY
COLUMBUS, OHIO

**G
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S**

Issued Business of July, 1935

\$ 70% GREATER
than that of July, 1934

DON'T FORGET DES MOINES
SEPT. 16-21

Share these consistent increases in earnings.
We have excellent propositions to offer qualified
men. Your inquiry is invited.

BANKERS LIFE
INSURANCE COMPANY
of NEBRASKA

HOME OFFICE

Since 1887

LINCOLN, NEBR.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Mutual Trust Life New Rates

Chicago Company Goes on a 3 Percent Reserve Basis—Revised Schedule of Dividends

The Mutual Trust Life of Chicago this week makes known its new schedule of rates, dividends, etc., effective Sept. 1 when the company goes from the 3½ to 3 percent reserve basis. The company points out that the most notable results of the change in reserve basis has been an increase in premium rates, but in general the changes in fixed premium rates and guaranteed values have not been great. Rates are up from less than \$1 to something more than \$2 in some instances but rate increases have been more than offset by increases in cash values, dividends or both.

Sample of New Rates

For instance, at age 35, on the ordinary life policy the premium is 84 cents more on the new policy than on the old, the total gross premium paid by the insured in 10 years being \$8.40 more than formerly, whereas the tenth year cash value is \$8.87 more on the new policy than on the old. The higher cash values result in longer periods of extended insurance; reduced paid up values are substantially the same because the increased cash value is used to purchase net single premium insurance on a 3 percent basis rather than on a 3½ percent. The surrendered net cost is generally lower on all policies and at all ages.

Low Cost Company

The company makes the assertion that its competitive position has been substantially enhanced so that it now ranks as one of the half dozen lowest cost companies, all policies and all ages considered.

The new regular ordinary life policy is no longer an endowment at 85, but a conventional whole life (endowment at 96) contract. The 20-pay life policy becomes the conventional 20-pay life rather than the 20 payment endowment at age 85. A complete change of plan in the family income bond policies has been effected. Formerly the contract was based on a level premium for life and with considerably reduced cash values as compared to ordinary life. The new contract will call for slightly higher gross premiums, effective only during the income period, the premium thereafter dropping to exactly the same for ordinary life at the original issue age. The cash values, although somewhat less than ordinary life cash values during the income period, are the full ordinary life reserve from and after the end of the family income period. The new policy is offered on the 15 year basis as well as 10 and 20 years.

Annuity Rates

The deferred, or retirement annuity contract, both annual and single premium, remains substantially unchanged in principal, although the former refund option has been changed to a 10 year certain provision and guaranteed values and incomes are somewhat reduced.

Immediate annuity rates remain the same in principal although the rate has been somewhat increased, being expressed in terms of a decreased income return to the annuitant for a given premium.

The former \$2,500 minimum whole life policy, which was a special feature of the Mutual Trust, is being replaced by another whole life policy which is actually a life paid up at 85. The minimum amount is \$2,500, the policy will be is-

sued to standard risks only under careful medical selection and will not be issued on substandard basis. The company expresses the belief that this is the lowest level 3 percent participating whole life premium offered in the country in amounts of less than \$5,000. The premium at age 35 is \$24.30 per thousand.

Ordinary and 20 Pay Life

Herewith are presented the rates for the new ordinary life policy and the 20-pay life policy:

Age	Ordinary Life		20 Pay Life	
	Annual Premium	Sum of Dividends	Annual Premium	Sum of Dividends
0	\$24.93	\$44.18	\$104.20	...
1	24.74	44.29	104.61	...
2	24.71	44.09	104.76	...
3	24.50	44.17	105.29	...
4	24.25	44.25	105.85	...
5	24.01	44.37	106.40	...
6	23.78	44.46	106.90	...
7	23.74	44.59	107.56	...
8	23.84	44.73	108.35	...
9	24.03	44.87	109.08	...
10	24.28	45.26	110.25	...
11	24.59	45.58	111.27	...
12	24.90	46.02	112.51	...
13	25.22	46.45	113.79	...
14	25.55	46.83	114.90	...
15	25.90	47.26	116.18	...
16	26.26	47.74	117.52	...
17	26.63	48.19	118.84	...
18	27.01	48.67	120.23	...
19	27.41	49.29	121.83	...
20	27.82	49.78	123.26	...
21	28.25	50.42	124.91	...
22	28.69	51.05	126.58	...
23	29.15	51.67	128.29	...
24	29.63	52.32	130.03	...
25	30.12	52.97	131.79	...
26	30.63	53.64	133.58	...
27	31.16	54.38	135.60	...
28	31.71	55.12	137.66	...
29	32.28	55.87	139.74	...
30	32.87	56.64	141.83	...
31	33.49	57.52	144.22	...
32	34.13	58.27	146.39	...
33	34.80	59.16	148.79	...
34	35.49	60.16	151.36	...
35	36.22	61.08	153.77	...
36	36.98	62.12	156.35	...
37	37.77	63.19	159.00	...
38	38.60	64.38	161.81	...
39	39.47	65.58	164.60	...
40	40.38	66.86	167.42	...
41	41.34	68.23	170.33	...
42	42.35	69.73	173.45	...
43	43.41	71.19	176.44	...
44	44.54	72.62	179.40	...
45	45.73	74.11	182.41	...
46	46.99	75.71	185.49	...
47	48.32	77.36	188.68	...
48	49.75	79.07	191.69	...
49	51.26	80.53	194.69	...
50	52.87	82.15	197.81	...
51	54.58	83.75	201.07	...
52	56.41	85.45	204.57	...
53	58.36	87.07	208.08	...
54	60.45	88.77	211.88	...
55	62.68	90.31	215.65	...
56	65.08	91.96	219.96	...
57	67.65	93.50	224.39	...
58	70.42	94.97	229.18	...
59	73.39	96.59	234.22	...
60	76.60	98.49	239.79	...
61
62
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64
65

Whole Life and Endowment

Below are the rates for the whole life policy and the 20 year endowment:

Age	20 Yr. Endow.		Whole Life	
	Annual Premium	Sum of Dividends	Annual Premium	Sum of Dividends
0	\$48.81	\$72.23	\$185.79	...
1	48.96	68.41	187.08	...
2	48.97	68.56	187.26	...
3	48.68	68.45	186.97	...
4	48.30	68.51	187.12	...
5	47.88	68.33	186.74	...
6	47.47	68.36	186.75	...
7	47.21	68.15	186.50	...
8	47.07	68.00	186.32	...
9	47.04	68.11	186.71	...
10	47.09	68.22	186.95	...
11	47.14	68.33	187.18	...
12	47.20	68.46	187.41	...
13	47.25	68.68	187.88	...
14	47.31	68.79	188.08	...
15	47.38	68.93	188.32	...
16	47.48	69.15	188.76	...
17	47.63	69.28	189.01	...
18	47.81	69.51	189.49	...
19	47.99	69.76	189.96	...
20	47.75	69.91	190.22	...
21	47.84	70.19	190.70	...
22	47.94	70.43	191.12	...
23	48.04	70.72	191.61	...
24	48.04	70.72	191.61	...

(CONTINUED ON NEXT PAGE)

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25	48.15	71.10	192.33	185.60	373.70	863.90
26	48.26	71.35	192.80	190.10	378.70	877.10
27	48.39	71.62	193.29	194.90	383.30	890.50
28	48.52	71.97	193.99	199.80	388.60	906.30
29	48.67	72.25	194.49	205.10	393.00	920.40
30	48.83	72.59	195.17	210.70	398.30	936.80
31	49.00	72.96	195.87	216.40	402.40	950.60
32	49.18	73.39	196.77	222.50	407.30	965.60
33	49.38	73.77	197.53	229.00	412.50	980.70
34	49.60	74.24	198.48	235.80	417.40	995.40
35	49.85	74.74	199.42	243.00	423.20	1011.00
36	50.11	75.27	200.40	250.50	429.10	1026.60
37	50.41	75.78	201.37	258.60	436.70	1044.70
38	50.73	76.45	202.57	267.10	444.60	1062.60
39	51.09	77.12	203.77	275.90	452.80	1081.30
40	51.48	77.94	205.16	285.50	460.80	1099.00
41	51.92	78.80	206.52	295.60	468.50	1116.40
42	52.41	79.70	208.04	306.30	476.70	1135.80
43	52.95	80.64	209.54	317.60	484.20	1154.00
44	53.55	81.53	210.96	329.60	492.50	1173.60
45	54.22	82.62	212.73	342.50	499.50	1190.00
46	54.96	83.66	214.41	356.20	508.30	1208.70
47	55.78	84.69	215.97	370.60	515.20	1223.10
48	56.69	85.87	217.84	386.20	522.90	1239.00
49	57.70	86.97	219.52	402.70	529.90	1253.40
50	58.81	88.19	221.38	420.40	537.50	1270.40
51	60.04	89.29	223.15	439.10	546.50	1290.80
52	61.40	90.52	225.16	459.10	555.30	1312.20
53	62.90	91.74	227.29	480.50	563.50	1334.00
54	64.55	92.97	229.55	503.30	572.00	1358.90
55	66.36	94.25	232.16	527.70	579.60	1385.90
56	68.36	95.45	234.90	558.60	608.30	1459.10
57	70.55	96.65	238.00	591.70	640.30	1544.00
58	72.96	97.78	241.47	627.40	675.60	1638.00
59	75.59	99.04	245.13	665.80	715.70	1745.10
60	78.48	100.59	249.42	707.20	762.20	1866.30

Southern States Local News

Will Train the New Official

Commissioner Johnson of Mississippi
Will Induct His Successor in His
New Position Later

Insurance Commissioner J. H. Johnson of Mississippi will have John Sharpe Williams, III, of Yazoo City in the office for some little time before the former retires so that Mr. Williams can get an idea of the running of the machinery. Mr. Johnson will retire Jan. 1. Mr. Williams was nominated in the primaries, he receiving 206,435 votes and Col. Shelby Pickett 119,127. Mr. Williams is a nephew of the late United States Senator John Sharpe Williams of Mississippi and was named after him. He has been engaged in the local insurance business for some 20 years in Yazoo City.

He served as president of the Mississippi Association of Insurance Agents, as its executive secretary and now is the national councillor. He comes from a high grade family and is a very high class man.

Mr. Pickett is a member of the state insurance commission. He is a local agent and both he and Mr. Williams are members of the Mississippi Association of Insurance Agents.

Federal Government Acts

DALLAS, Aug. 29.—The federal government is on the trail of fake burial insurance concerns in Texas. C. O. Estus, United States district attorney is investigating a number of burial associations which have been collecting fees from clients and not making good their pledges. He said legitimate concerns have nothing to fear from the investigation, but that fly-by-night organizations, formed for the purpose of "gyping" the people would get all that is coming to them.

The federal attorney said some concerns seem to have been charging clients \$3 membership fee and \$1 per month dues or premiums on policies promising \$150 at death as burial benefit. He said one of these companies has 25 claims pending against it and never has paid more than \$21 on any claim.

New Advertising Plans

The General American Life plans to use a new type of advertising copy for its insurance journal advertising, the first to appear in September. The romance and inspiring qualities of the business of life insurance will be featured.

MANAGERS ASSOCIATION

Plans for Detroit Programs

Various Speakers Dated Up on Interesting Subjects by Managers Association

DETROIT, Aug. 29.—A strong program of out-of-town speakers has been lined up for the fall and winter meetings of the Associated Life General Agents and Managers by Seth W. Ryan, general agent Penn Mutual and chairman of the program committee, under President G. A. Reem, general agent State Mutual of Massachusetts.

Vincent Coffin, superintendent of agencies, Connecticut Mutual, will speak Sept. 23 on the topics brought up for discussion at the National convention. Wallace Boileau, Jr., superintendent of agents, Penn Mutual, will speak in October on "Agency Finances." In November Frank Weidenborner, Jr., superintendent of agents, Guardian Life, will give the results of his company's study of the selection of new men coming into the business, illustrating his address with rating charts.

A prominent local banker will be the featured speaker at the December meeting, discussing the best methods of handling general agency financing. In January Irving T. F. Ring, general counsel, State Mutual of Massachusetts, will be the speaker. Programs for the succeeding months are now in process of completion and will be announced shortly by Mr. Ryan.

CHICAGO NEWS

INSURANCE STOCK QUOTATIONS

Life insurance stock prices finished the past two weeks mixed, with the majority higher. The most outstanding was the demand for Lincoln National Life, which made a new high for the year, sales being recorded at 40½, an advance of 6 points. New World Life also made a new high, selling at 6¾ locally. Eastern life stocks were unchanged to a shade easier.

By H. W. McKinney, Lester, Carter & Co., Rookery Building, Chicago

	Par	Div.	Bid	Asked
Aetna Life	10	.60	32	33
Alliance Life	1	...	¾	1 ½
Bank. Nat. Life	10	1.00	12	14
Calif. West. St.	10	2.00	9 ¾	10 ¾
Central Life, Ill.	10	...	2	...
Gen. States Life	5	...	1	2
Colon. Nat. Life	100	4.00	88	98
Cont. Am. Life	10	1.20	28 ½	30 ½
Conn. Gen. Life	10	.80	39 ½	41
Cont. Assurance	10	2.00	39 ½	41
Farmers & Trad-				
ers Life	100	10.00	180	187
Federal Life	10	...	4	10
Gen. American	10	...	42	47
Great Nor. Life	10	...	7	10
Girard Life	10	...	10	13
Grt. South. Life	10	2.50	30	34
Kans. City Life	100	16.00	425	450
Life & Cas. (Tenn.)	2	...	5 ½	6 ½
Life of Va.	20	3.00	90	100
Lin. National	10	1.20	39	41
Mo. State Life	10	...	¾	1 ½
Mut. Life, Balt.	10	2.00	37 ½	39 ½
Natl. Res. Life	10	...	5	...
Nat. Life & Ac.	10	1.20	38	45
New World Life	10	.40	6 ½	7 ½
Northw. National	5	...	11	12
Ohio National	10	1.25	21	23
Ohio State Life	100	10.00	250	265
Old Line Life	10	...	15 ½	16 ¾
Pacific Mutual	10	.40	11	11 ¾
Philadelphia Life	10	...	3	4
St. Louis Mut. L.	10	...	5 ½	7
Sun Life	100	16.00	425	440
Travelers	100	16.00	635	645
Union Central	20	1.20	35	40
Wisconsin Nat.	10	1.00	14	16

HAVILAND AGENCY'S OUTING

Contest winners in the F. H. Haviland general agency of the Connecticut General in Chicago enjoyed a unique outing. They spent the first three days of this week at the Crystal Lake Country Club, a few miles northwest of Chicago, where they enjoyed golf, swimming, boating and similar delights.

Stepping Stones to Sales Success

The man who enters the field of life underwriting can succeed much more readily if his course is intelligently charted and his efforts wisely directed. To that end we offer the new man the following program:

1. Training that will enable him to get into production early in his career.
2. Supervision in the field under competent direction that will fix proper sales habits from the start.
3. A prospecting technique that will give him enough of the right kind of people to see.
4. Organized sales presentations that will sell life insurance.
5. Daily Planning Charts and Time Control that automatically reduce "scatteration of effort."

We have unusual opportunities right now for new men who are qualified to carry out this kind of a program. If you contemplate entering the field of life underwriting, we invite you to write us for particulars.

Address your inquiry to

OREGON MUTUAL LIFE

Home Office: Portland, Oregon

"Pioneer Mutual Life Insurance
Company West of the Rockies"



A friendly, strong young company

—a company that is planning permanently for the future as it takes each step carefully during these early years.

—managed by men who thoroughly know the life insurance business and realize the trust placed in them by policyholders and agents.

—a company that has a splendid reputation for prompt payment of claims and fair, intelligent treatment for all.

Grow with this aggressive company.
Write today for details.

OLD REPUBLIC CREDIT LIFE INSURANCE COMPANY

221 N. LaSalle St.

Chicago

*him wanta be big man—
but can "him" fill dad's shoes?*

This is from a sales help on Juvenile Policies. Lamar Life men have not only sales helps but also a wide and attractive assortment of Juvenile contracts, including Educational Endowments.



The LAMAR LIFE INSURANCE COMPANY

Established 1906
JACKSON MISSISSIPPI



LAMAR LIFE TOWER

Extending an Extra
Measure of Service

To Our Policyholders
Their Beneficiaries
and Our Field Force

The
FEDERAL RESERVE LIFE
INSURANCE COMPANY
Kansas City, Kansas

About 40 were in the party. Outside guests included R. H. ("King") Cole, superintendent of agents; Frank Williams, new general agent at New Haven, Conn., and Dave Luick, general agent at Minneapolis.

LUSTGARTEN BACK HOME

Samuel Lustgarten, one of the agency managers of the Equitable Life of New York in Chicago, who conducts one of the outstanding offices in the country, returned this week from a two months European trip.

AGENCY CHANGES

Sloan Installed as Manager

Takes Charge of the Nolan Agency of the Equitable Life in Chicago

Herbert A. Sloan was installed this week as head of the J. W. Nolan agency of the Equitable Life of New York in Chicago. Mr. Nolan, who was formerly agency instructor in the field school at the head office, went to Chicago five and a half years ago to take charge of the agency. Prior to that time he had been a unit manager in the St. Paul agency. He is returning to St. Paul and will engage in personal work.

Mr. Sloan has been one of the assistant managers in the W. V. Woody agency of the Equitable in Chicago. He went with the company in August, 1924, and became unit manager in 1926. At the end of seven months of this year he has the outstanding record of having the largest unit in the country in point of production. His volume during that time is \$2,600,000. He has developed three unit managers in the Woody agency from his group. Mr. Sloan is a man of splendid personality and force.

His successor in the Woody agency is Taft Woody, brother of the manager. He went with the Equitable in Chicago over a year ago and has made a record in personal production. He was formerly with the company at Baltimore.

On Wednesday of this week Agency Superintendent W. M. Rothaermel gave a luncheon to introduce Mr. Sloan to the Nolan group. All the agents were invited. W. V. Woody was present and paid tribute to his associate.

Perez Huff Appointments

Perez F. Huff, resident vice-president at Los Angeles of the Bankers National Life of New Jersey, has appointed G. I. Harmelin and Paul Chinn as special agents in Los Angeles. Prior to 1933 when they joined forces as Aetna Life representatives, Mr. Harmelin had been with the Metropolitan Life for ten years, while Mr. Chinn had been with that company since 1920. Both are outstanding personal producers. Mr. Harmelin is a brother of Arnold Harmelin, prominent New York general agent of the Columbian National Life.

Adam D. Moyer of Columbus has been named central Ohio agent for the American Citizens Life of that city. A number of agents will be added to his staff.

Claud Warley has been appointed manager of the life department of the Carter-Jenkins Agency at Akron. The agency represents the Ohio State Life.

Rhode Island Supervisory Setup

Some confusion exists in the minds of insurance people as to the setup in the department in Rhode Island, charged with insurance supervision. Oscar L. Heltzen is really the detail officer in charge of the insurance department, although earlier this year he was removed as chief of the division of banking and insurance. That position is now held by M. Joseph Cummings. However, Mr. Cummings retained Mr. Heltzen as deputy chief of the division of insurance and so far as insurance supervision is concerned Mr. Heltzen is still the man to whom to look.

INDUSTRIAL

Fall Is Good Time to Place Effort on Juvenile Cover

September and October is an excellent time to concentrate on selling both juvenile insurance for school children and educational policies. There is much enthusiasm over school and education and parents are more receptive to the idea of providing for the child's higher education.

In selling juvenile insurance on school children it is best to wait for about three weeks after school begins, according to Manager M. Levy of the Western & Southern Life in Chicago. When school first starts the parents have to meet extra expenses for clothing and in outfitting the children for school, so it is useless to solicit the insurance until they have a chance to recoup their finances. Mr. Levy says he always has a good increase in the fall in insurance on school children. There is an exceptionally good argument for the coverage as the children are exposed to accidents in crossing streets and car tracks.

Honor Stephen J. Murphy

Stephen J. Murphy, manager of the Drexel district of the Metropolitan Life in Chicago, is retiring after 43 years of service. He will be 65 next November. The Chicago Association of Metropolitan Managers gave a luncheon this week for Mr. Murphy at which he was presented with a fishing tackle outfit.

Mr. Murphy started in life insurance with the Metropolitan in Salem, Mass., in June, 1892. He is one of the pioneers in the southwestern field, being in that territory for 29 years, eight of which he was in St. Louis, serving also in Kansas City and St. Joseph. Mr. Murphy was made an assistant manager after two years' service as agent and has been a manager for the last 32 years. He has been manager at Chicago for the last eight years and is highly regarded by his men and his co-managers.

Middle West Sales Congress

The middle west district of the Metropolitan Life will hold its annual sales congress for leading producers at French Lick Springs, Ind., Sept. 12-14. The morning of the second day will be devoted to a business session with Austin T. Schussler, superintendent of agencies, giving the opening address. Papers are to be read by selected delegates, one of whom will be by Manager E. R. Blackwood of Indianapolis on "Money Value of a Call." A banquet, followed by entertainment, will be held the second evening. A full program of sports is planned. The arrangements are in charge of J. D. Moynahan, agency supervisor.

Summer Hard on Collections

Manager F. Koehler of the National Life & Accident of Chicago is welcoming the end of the vacation period because of the difficulties involved on his colored debit. Because many people are away on their vacations there is much unemployment among colored domestic help which makes industrial policy collections difficult. It is nearly impossible to get advance payments in the early spring to tide over the slack summer period. As soon as fall comes and the colored domestic help goes back to work collections improve.

J. D. Cassidy's 30th Celebrated

Joseph D. Cassidy, Western & Southern superintendent of agencies, recently observed his 30th service anniversary with the company at a reception in Cleveland, attended by 350 agents from 27 districts. President C. F. Williams presided.

NEWS OF THE FRATERNALS

Extend Law on Fraternal

Commissioner Hunt Plans Complete Revision and Modernization of Pennsylvania Insurance Statutes

PITTSBURGH, Aug. 29.—Addressing the National Congress of Fraternal Societies at their convention here, Commissioner Owen B. Hunt of Pennsylvania, declared that he will soon inaugurate an extensive research to form the basis for a complete revision and modernization of Pennsylvania's insurance laws.

In a friendly manner, he told the fraternalists that the laws governing their operation are still not complete or thorough.

"In pointing out the advisability of further extension of modern scientific insurance methods to the fraternalists," he said, "I speak in the friendliest spirit. Realizing the degree to which your organizations have striven to develop and strengthen themselves, I am sure they will be ready and willing to go further along the same lines. I know that legislation aimed to meet the problems of the fraternalists must be framed in a friendly attitude, with recognition of your rights as mutual organizations to regulate your own affairs within proper limits."

He urged further modernization to bring about uniformity of by-laws and of benefit certificates issued by fraternalists.

The strength of the assets now behind the fraternal insurance in force is twenty times what it was thirty years ago, he pointed out. Although the insurance in force has not increased in three decades, the assets have multiplied from \$55,000,000 to more than a billion. The total insurance of this type now in force in Pennsylvania is more than half a billion dollars, held by 250,000 members in this state, and backed by societies with total assets of more than \$750,000,000.

Major Hunt said that the people of the United States have been banking-conscious for more than a hundred years but have only recently begun to awaken to a similar interest in insurance.

Will Voice True Americanism

Press Section of National Fraternal Congress Has Appointed a Committee to Outline Plan

PITTSBURGH, PA., Aug. 29.—Important action was taken by the Press Section at its meeting the first day of the National Fraternal Congress gathering in authorizing a special committee to prepare a resolution to be presented to the congress voicing the need for a thoroughgoing American point of view in all society publications in an effort to offset the rapidly growing radical thought in this country. The action followed a vivid word picture by Father Ivan Kramoris of the First Catholic Ladies Slovak Union, Cleveland, of the damage being done by radicals among uneducated workers. Robert B. McCain of the Ben Hur Life, Father Kramoris and Paul Ditzen, Standard Life of Topeka, Kan., were named on the committee. Many societies reach the working classes with their publications, and these were considered a fine medium for spreading sound Americanism.

Rosenblum Made President

H. L. Rosenblum, Woodmen of the World, Omaha, was elected president of the Press Section, the other new officers being: Vice-president, R. B. McCain; secretary-treasurer, Mrs. Mary Baird, Woman's Benefit Association, Port Huron, Mich. These are on the

executive committee, with J. L. Wilmeth, Junior Order United American Mechanics; Ed L. Young, Maccabees, Norwalk, O.; A. J. Martin, Protected Home Circle, Jamestown, N. Y.; Clara Bender, Degree of Honor Protective, St. Paul, and Jeanie Willard, Woodmen Circle, Denison, Texas.

President Karel's Greeting

President Karel of the congress extended greetings to the Press Section. Robert McCain discussed "Live Copy." H. L. Rosenblum talked of "Make-up of a Fraternal Magazine." Mrs. Elizabeth Mehan, Milwaukee, N. F. C. publicity director, and De E. Bradshaw were guest speakers. Peter F. Gilroy addressed the afternoon session. Milo Zimmerman of Kable Brothers, Mt. Morris, Ill., talked on "Improving the Fraternal Journal." Mrs. Clara Bender spoke on "How to Keep News Out of the Waste Basket"; Milan Petrak, Croatian Fraternal Union, Pittsburgh, on "Fraternal Work Among Croats in the U. S. A.," and Paul Ditzen on "What Appeals to Juniors in Children's Magazines." Mrs. Julia Ward Clingen, Ladies Catholic Benevolent Association, installed the new officers.

Biggs Head of Secretaries

Annual Meeting Was Addressed by F. L. Rowland, Manager Life Office Management Association

PITTSBURGH, PA., Aug. 29.—C. L. Biggs, recorder of the Maccabees, was elected president at the annual meeting of the Secretaries Section of the National Fraternal Congress. Other new officers are: Vice-president, A. P. Cox, Artisans Order of Mutual Protection; secretary-treasurer, Miss Anna E. Phelan, Women's Catholic Order of Foresters (reelected for her fifth term). A. M. Fording, Junior Order United American Mechanics, is retiring president, becoming chairman executive committee. Others of the committee are: Miss Erna M. Barthel, Royal Neighbors; O. P. Seifritz, Catholic Family Protective Association of Wisconsin. F. W. Hough, Fidelity Life, is retiring executive committee chairman. Mr. Biggs was vice-president last year.

Frank L. Rowland Spoke

Frank L. Rowland, secretary and manager of the Life Office Management Association of New York, delivered a fine paper on "Present and Probable Future Trends of Life Office Management." The entire Fraternal Actuaries Association sat in in a body during this talk. Mr. Rowland noted that employees' salaries so often are based on length of service rather than efficiency. He said there has been a large increase in the percentage of women employed in life offices, these not resigning so frequently as in the past because of marriage. The five-day, rather than 5½-day week was advocated for efficiency. Organized education programs among clerks and other employees to fit them for higher posts was recommended.

Dr. Mason Is New President

National Mutual Benefit Man Heads Medical Section of the National Fraternal Congress

Dr. Everett L. Mason, medical director National Mutual Benefit, Eau Claire, Wis., was elected president of the Medical Section of the National Fraternal Congress at the annual meeting, succeeding Hada M. Carlson, woman medical director of the Royal Neighbors, Rock Island, Ill. A. M. Limburg, medical director A. O. U. W. of North Dakota, Fargo, was elevated

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to build an agency of your own? If you have some organizing ability and can show satisfactory personal production, we have an attractive General Agency set-up to offer you.

Openings in Michigan and northern Illinois. Write

The OLD LINE LIFE
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MILWAUKEE, WISCONSIN

LIFE



ACCIDENT



HEALTH

Attend the Life Underwriters' Convention

DES MOINES, IOWA, Week of September 16, 1935

THE OPEN DOOR



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A GENERAL AGENCY

With the Company that reached 70 Millions in 7 years

In line with its extensive expansion program, the Company is now occupying its new Home Office Building in Montclair and has openings for a limited number of men who can qualify for

A SPECIAL CONTRACT FOR PROSPECTIVE GENERAL AGENTS

IF—your paid-for production in 1934 exceeded \$100,000

IF—you have some organizing ability

IF—your future with your present connection is limited

IF—you live in

NEW JERSEY
DELAWARE
MARYLAND

WESTERN PENNSYLVANIA
WESTERN MASSACHUSETTS
RHODE ISLAND

Write to

Wm. J. Sieger, Vice President and Supt. of Agencies

Bankers National Life Insurance Co.
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Massachusetts Mutual
a synonym for
quality and excellence
in
Life Insurance

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

SPRINGFIELD, MASSACHUSETTS

Organized 1851

OCCIDENTAL
Life Agents work under a
liberal contract contain-
ing settlement, volume
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OPENINGS ARE AVAILABLE
for live, aggressive Agencies and Men

OCCIDENTAL LIFE INSURANCE CO.

Old Line Legal Reserve Life, Accident, Health

HOME OFFICE, Los Angeles, Calif.

V. H. JENKINS, Vice-President, in Charge of Production

from second to first vice-president; Charles B. Ahlefeld, medical director Security Benefit, Topeka, Kan., was elected second vice-president; Tracy H. Clark, medical director National Union of Chicago was reelected secretary, and J. P. Smyth, medical director Catholic Order of Foresters, Chicago, reelected treasurer.

Three papers were on the program: "The Selection of Medical Examiners," by W. G. McLaughry, medical director Protected Home Circle, Sharon, Pa.; "Calculamania," by Dr. Ahlefeld, and "The Dangers of Carbon Monoxide Gas," by H. Z. Hibshman, chief medical director Junior Order United American Mechanics, Philadelphia. Dr. W. E. Thornton, medical director Lincoln National Life, who spoke later before the general session of the congress, gave a short talk before the medical men.

Junior Insurance Discussed

There was a general discussion of junior insurance in the afternoon, a number of the societies not writing this. Conclusions and opinions were given by medical directors of societies writing the young people, consensus being that it is a very profitable business and one supplying a large proportion of the life blood. Mortality has been especially good among the fraternal in the junior department.

A committee of three was appointed by President-elect Mason to study junior insurance from the medical side and report in a paper to be presented at the 1936 annual meeting of the N. F. C. The committee is: Dr. Limburg, chairman; Dr. Ahlefeld and Dr. Katherine C. Manion, medical director Woman's Benefit Association, Port Huron.

Now Organized in Tax Fight

**Special Committee Formed to Oppose
Campaign of Tax Ferrets Started
in Oklahoma**

Fraternal societies will be welded into a cohesive unit in the fight against premium and license tax suits started in Oklahoma and Arkansas, and which it is feared may be taken up by other states, through a special committee formed at Pittsburgh this week during the annual convention of the National Fraternal Congress.

Peter F. Gilroy, president-elect of the N. F. C. and head of the Woodmen of the World, Denver, is chairman of the committee, which is not, however, an N. F. C. project but independent in order to make possible the securing of cooperation from all independent societies. Other members are: J. M. Miller, general counsel Woman's Benefit Association, Port Huron; A. W. Fulton, attorney, Chicago, and J. P. Stock, Chicago.

Urges N. F. C. Group

One of the recommendations in the annual address of Retiring President J. C. Karel of the N. F. C. is for naming of a committee on the same subject.

The new independent committee is an outgrowth of long discussion in the annual meeting of the Fraternal Law Association at Pittsburgh on the tax problem.

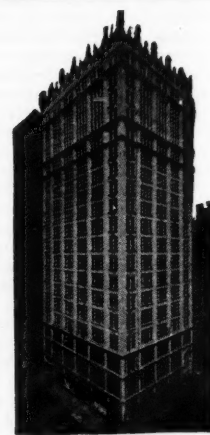
Fraternal lawyers are satisfied that the judgments already granted and the many suits filed by state officials in Oklahoma and Arkansas were the result of incomplete knowledge of the real character of the public welfare work done by fraternal. Where state officials have been fully apprised of the facts, they have refused to sanction the suits, although tax ferrets who devised the scheme have been offering their services far and wide, it is reported, on a contingent fee basis of 20 percent. The total judgments in Oklahoma, it is said, are about \$200,000, which is only a fraction of the amount that could be realized if judgments were rendered against the 50 or more fraternal which already have been sued by the state.

The law association elected H. W.

Adams of the National Mutual Benefit of Madison, Wis., as president, succeeding E. J. Jeffries, Jr., general counsel Maccabees. Mr. Adams has been vice-president. J. A. Willo, general counsel National Slovak Society of U. S. A. was elected vice-president, and R. F. Allen, assistant counsel Standard Life Lawrence, Kan., was reelected secretary-treasurer.

Two Papers Read

Two papers were read at the meeting "Extra-judicial Decisions on Disputed Claims—By-Laws Provisions," by Peter P. Jurchak, general counsel Pennsylvania Slovak Union, and "What is the status of a fraternal benefit certificate when the member has substantially but not exactly complied with the requirements necessary to change the beneficiary designation?" by G. I. Puhall, general attorney Greek Catholic Union of Russian Brotherhoods of U. S. A.



North American Building, Chicago

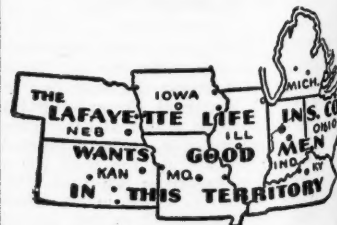
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Progressive**

**North American Life
Insurance Company
of Chicago**

John H. McNamara
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No Better Territory

No Better Company

**No Better General Agent's
Contract Than Our Service
Pension Contract**

**THE LAFAYETTE
LIFE INSURANCE CO.**

W. W. Lang,
Secretary

F. L. Alexander,
President

W. R. Smith, Field Vice-President

LAFAYETTE, INDIANA

SALES IDEAS AND SUGGESTIONS

Sales Talk Should Be Well Planned by the Agent

Philip O. Works, general agent Penn Mutual, St. Louis, in his talk before the Columbus Mutual agency convention, devoted his time chiefly to talk about prospecting and closing. He said that 35 percent of an agent's time should be given to prospecting. He thinks before a salesman can intelligently prospect for the future he must do some research work as to the past. He suggested that agents write down answers to the following questions:

- (1) Where did I get this prospect?
- (2) A friend? (b) an acquaintance? (c) policyholder? (d) recommended by a friend, acquaintance or policyholder?
- (3) What was his age at the time I sold him?
- (4) Did he have a job or was he in business for himself?
- (5) What idea did I present?
- (6) Why did he buy?
- (7) What did he buy?

Ascertain From What Zone Is Business Received

When these answers are made then the agent will know from where his business is coming, that is, whether it be from salesmen, salaried employees, business men or professional men. The agent probably runs to some sort of type of person and therefore the major portion of his prospecting should be confined to that particular zone.

Mr. Works said that in the past agents were taught to go to their friends, acquaintances, policyholders, etc., and ask for prospects. Mr. Works believes that a great amount of intelligent prospecting can be done in picking the men the agent is desirous of contacting and then going to friends or policyholders and finding whether they can introduce him to this individual.

Mr. Works said that planning is a very important factor in selling. A considerable portion of an agent's time should be spent in this work. He believes in a planned five years, planned one year, month, week and day. The agent should know the amount of money he desires to make, the volume necessary to get it, the amount of work necessary to get the volume and this should be figured out by the year, month and day and the plan should be adhered to. Mr. Works believes in a carefully planned day's work programmed in the morning so that an agent will know just what he is going to do during his hours of labor. The law of average will be relied on and it will work reliably if the agent goes to see a certain number of people each day and has a serious interview with them.

Planned Case Method Is Recommended

The speaker believes in a planned case. He should write down the man's name and all that is known about him, his age, whether he is married, whether he lives in his own home, his approximate income, how many children he has, the children's names, how much insurance he has, what are his hobbies and anything else that might have a bearing on the presentation. This information should be recorded. The agent should decide what policy he will present. In writing down what the agent intends to tell him, he should also record how he is going to get his attention. In other words, his approach should be planned. It should be simple, direct and no technical terms used. For instance, if his plan was to sell an educational policy for a child on entering he should say,

"Mr. Jones, I am Mr. Works of the Penn Mutual Life Insurance Company. I came to talk to you about a plan to send your son, Bob, to the University of Illinois." Mr. Works says that he is opposed to any technical terms pertaining to life insurance. They should be eliminated.

Should Have Definite Plan to Hold Attention

After the approach has been planned then the agent should know exactly what he is going to say to his prospect to keep his attention after it has been gotten. He should say, for instance, "Like most fathers you are interested in Bob's future, especially in his education. If you knew of a plan whereby Bob when he is 18 years old and ready to go to college could be guaranteed a college education no matter what happened,

you would be interested, wouldn't you? Well of course to send Bob to Illinois you need money, probably about \$6,000. You can get this money in several ways. One would be out of income during the four years he is at Illinois and one is out of income by spreading the cost of his education over all the years from now until he graduates. But that's not all. Under the plan I have, in addition to providing a way for your money to accumulate, there is the guaranty that whether or not you live to accumulate the money it will be there to send Bob through college."

Mr. Works then said the close must be planned. You might say, "You would be interested in seeing this plan in black and white, wouldn't you, Mr. Jones? While many fathers want this plan only the man in better than average physical condition will qualify for it, so I will tell you what I will do. I will have our doctor stop by on his way down town tomorrow morning and look you over. If you qualify I will bring this plan back to you in black and white and if you like it we will do business. That is fair, isn't it?"

Perhaps the prospect will say, "That's fair but I would like to hear more about

it," or he might say, "That's all right but I am not particularly worried about money to send Bob through college because I am a young man now and when he is of college age I will have plenty of money to send him through." Mr. Works said that the agent must plan more than one close and perhaps a story should be told which will cause him to want to do this for his boy what other fathers are doing for their boys. These stories are called "motivation." If an agent doesn't have an actual experience he should make one up.

If the agent has done a good job in prospecting and planning his case carefully the question of presentation in his opinion is 75 percent solved. The agent should go over his plan, learn it so that he really knows what it is all about. If he prefers he should take notes, put them down on a card, take the card with him and tell the prospect that his case is so important that notes were made so that nothing would be forgotten.

Recommends Organized Sales Talks Highly

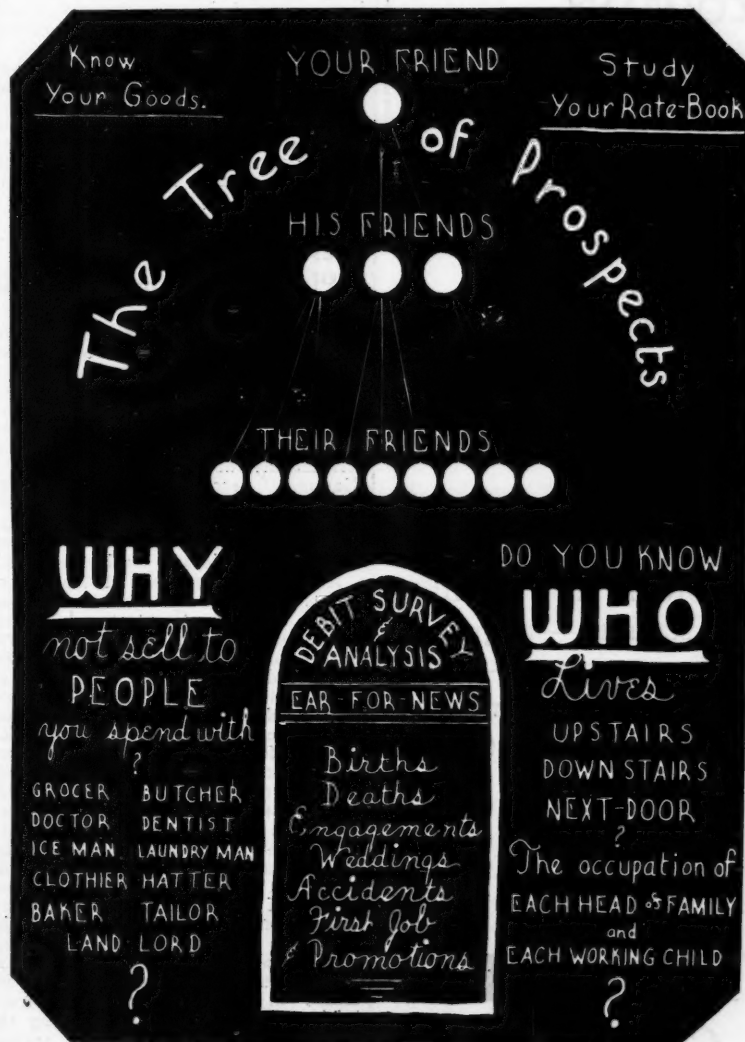
Some times it will be impossible to plan a case because the agent will not know enough about the prospect. For this situation Mr. Works said for his agency he has a plan that will apply to 90 percent of the people on whom an agent calls. These are organized sales talks. The organized sales talk is simply an arrangement of selling ideas in their proper sequence leading up to a close. The men learn these talks word for word. Mr. Works said that a couple of years ago when the Penn Mutual first started using organized sales talks there were a number of old men in the business who said they didn't believe in them and would not use them. One day the educational director happened in a man's office who said he had no use for such talks. The director asked the man if he would do him a favor. He requested him to dictate what he said when he sold a prospect the idea of additional income for his family, assuming that the prospect was 35, earning \$5,000 a year, and had a wife and two children. The salesman agreed to this. The record was taken away and filed. About six months later the educational director was in the agency, went to the man again and said that the dictaphone record had been dropped and broken and wanted to know if he could dictate again as the company wanted it for one of a series. Actually the first record was not broken. He dictated it again and the records were practically the same. When the big producer was told about it he was amazed and didn't believe it until he listened to the records himself. Then he said, "Well, here I have been using organized sales talks all these years and did not know it."

Use of Organized Talks Increased the Production

When Mr. Works went to St. Louis as general agent a number of men were not using the organized sales talk 100 percent. After discussion they agreed to do so. One man increased his sales from 36 per year to 96, which made his production in excess of \$1,000,000. Another increased his sales from 20 to 58 per year which brought his production from \$90,000 to \$250,000 a year. During the first year with the organized sales talk the sales were increased to 643 from 387.

Mr. Works said President Walter Dill Scott of Northwestern University says: "Mental attitude has more to do with success than mental capacity." The speaker said that planned progress would help one's mental attitude because he will know what he is going to say to a prospect. More than that, one of the biggest reasons why many agents are not closing is rather sad. Mr. Works said it is because they don't really be-

Plan of Action Is Outlined



Here is an unusually good chart for summing up the main points in prospecting in a graphic and concrete fashion. Not only is the center of influence method outlined, but the idea to sell people with whom the agent spends his money and securing prospects by watching the newspapers are explained. The chart was drawn by Louis Jellison of the Monumental Life in Chicago under Manager W. H. Keidel.

Achievement—

An Increase of \$34,410,379.00 insurance in force during 1934.
More than \$14,000,000.00 Increase in Assets and \$5,500,000.00 Increase in Surplus from December 31, 1929, to December 31, 1934.

Grown to a half billion dollar Company in 30 years.

Excellence—

The prestige that arises from financial stability and years of fair dealing is enjoyed by each Anico representative. Practical and attractive selling features open new avenues of business and complete the equipment of the man in the field.

Power—

\$124.58 in Assets for each \$100.00 of liabilities.
\$52,721,865.75 in Assets and \$10,401,100.02 in Surplus on December 31, 1934.

Plans—

Agency Conventions announced for 1936.
Extension of agency development in both old and new territories.

ORDINARY AND INDUSTRIAL

AMERICAN NATIONAL INSURANCE COMPANY

GALVESTON, TEXAS

W. L. Moody, Jr., President
Shearn Moody, Vice-President
E. L. Roberts, Vice-President (In Charge Ordinary Agencies)

F. B. Markle, Vice-President
W. J. Shaw, Secretary

MEASURED
by any standard the
GUARANTY LIFE OF IOWA
ranks high

Consider for instance—prompt payment of claims—service to policyholders and agents—financial stability—aggressiveness—management—liberal policy contracts—experience—and this company is outstanding.

It offers you an ideal agent's contract and will take a personal interest in your welfare. If interested write

LEE J. DOUGHERTY, PRESIDENT & GEN'L MGR.

GUARANTY LIFE INSURANCE COMPANY

Davenport, Iowa

lieve in life insurance. He means by that they don't believe in it enough to make the same sacrifice to own it that they expect their prospects to make. Mr. Works continued: "Be truthful with yourself. What do you consider the least, not the most, but the very minimum amount of income your wife would need if anything should happen to you? Does your present insurance give her this? You know down in your heart whether it does or not. If it does not and you want to be successful do something about it. Don't tell me you can't afford it because that's what your prospects say. If you really want it I will tell you how you can get it. Be examined, put the policy in your pocket, tell enough people why you bought it and you will make enough commissions to pay your premium for you. If you can't buy all you need, at least buy enough so that the options will do the job for you just as you would recommend to a prospect."

Should Get Confirmation by the Prospect

Mr. Works said that in reaching the close an important feature is to get the prospect to agree to what the agent said. That is confirmation of the plan. The agent wants to get the prospect into position where he likes what is being presented and agrees to it at least from a theoretical standpoint. When the prospect agrees to a plan then pressure should be made for the close. Agents should not talk any further. He said that very often agents are afraid to bring the interview to a close and then talk the prospect out of the deal. People, he said, buy what they want. Very often Mr. Woods said that agents judge what their prospects can spend by what they themselves can spend. This, he said, is poor policy.

Success in closing, he said, depends very largely on whether the agent thinks he can close. He stated that before an agent can present insurance successfully and sincerely, he himself must carry the minimum amount that will enable his family to live after he is gone.

Presumption Against Suicide Places Burden on Companies

The courts have allowed the use of presumption against suicide to lead them into making strange decisions and placing burdens upon insurance companies in defending these suits which should not be placed upon them, declared R. B. Montgomery, Jr., New Orleans attorney, in a talk before the National Association of Insurance Counsel at White Sulphur Springs, W. Va., on "The Effect of the Presumption Against Suicide Upon the Burden of Proof in Life and Accident Cases."

Mr. Montgomery feels that an effort should be made to get the United States Supreme Court to determine the correct rule that the federal courts should follow as there is a great deal of misunderstanding as to the use of "presumptions" in suicide cases which have resulted due to the interpretation of *Travelers vs. McConkey*, which was decided in 1888. Insurance company attorneys should consider the advisability of removing cases to the federal courts when the state laws are unfavorable. The attorneys should try to prevent the courts in such cases from taking the presumption of suicide and from charging the jury so that burden of proof is on the defendant. The attorneys should introduce the proofs of death and the coroner's verdict to do away with the presumption against suicide. Because of the increase in suicides Mr. Montgomery holds that there is no reason why the courts should show such great respect for the presumption against suicide.

J. H. Himes, Des Moines, agent for the Equitable Life of Iowa, has qualified for the Million Dollar Round Table to be held in Des Moines Sept. 17. Mr. Himes is believed to be the only underwriter in Des Moines who has qualified.

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